

SUSTAINABLE DEVELOPMENT GOAL's SHADOW REPORT 2017





Civil Society Legislative Advocacy Centre (CISLAC)

SUSTAINABLE DEVELOPMENT GOALS 'SHADOW' REPORT 2017:

*Nigeria's Progress Review of
Targets 16.4., 16.5. and 16.10*



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With support from the European Commission

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***“African dreams of peace and prosperity
have been shattered by the greedy,
corrupt and unscrupulous rule of
African strongmen.”***

Wole Soyinka

(Nigerian, Winner of Nobel Prize for Literature 1986)



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CISLAC at Glance



Civil Society Legislative Advocacy Centre (CISLAC) is non-governmental, non-profit legislative advocacy, information sharing and research organization, arising from the felt need to address defects in the legislative advocacy work of civil society and open the window through which legislators can also access civil society groups. It aims to strengthen the work of Civil Society on Legislative Advocacy and bridge the gap between legislators and the Civil Society.

The formation of CISLAC arose from the context of the fact that the return to civilian rule in Nigeria was achieved largely by the struggles of the organizations of Civil Society especially the Human Rights and pro-democracy groups. Many activists lost their lives in the demonstrations, and sometimes, violent eruptions which characterized agitation for democracy and the opening of the democratic space in the context of authoritarian military rule and dictatorship.

Civil Society Legislative Advocacy Centre (CISLAC) is currently one of the major civil society organizations in Nigeria with a primary focus on legislation and legislative processes. CISLAC is also engaged in policy/legislative advocacy, civil society capacity building and media engagement. CISLAC works to train and enlighten civil society on policymaking, the responsibilities of the legislature, and the existing policies and legislations affecting Nigerian citizens. It also aims to ensure that the legislature at local, state and federal levels are aware of their relationships with other government bodies and have a responsibility of acting as a voice for the people.

CISLAC was integrated as a corporate body (CAC/IT/NO22738) with the Nigeria's Corporate Affairs Commission (CAC) on the 28th December 2006. Prior to this incorporation, however, CISLAC had actively been engaged in legislative advocacy work since 2005. The organisation is also compliant with the Anti-Money Laundering Act 2007.

The Organisation reports to SCUML, any transaction that is above One thousand dollars, detailing the payee, purpose and the other KYC (Know Your Customer) requirements. This is done on a weekly or monthly basis depending on the volume of transactions and to ensure appropriate compliance with anti-money laundering laws.

CISLAC is also registered organisation under the National Planning Commission. In recognition of its broad perspective, CISLAC was granted an ECOSOC status by the United Nations in 2011 giving it the mandate and the instrumentality of the United Nations. CISLAC is duly registered in accordance with the provisions of Section 5(1) (a) of the Money Laundering (Prohibition) Act, 2011 of the Economic and Financial Crime Commission (EFCC). It is the national contact of Transparency International (TI).

CISLAC through its engagement of the governance processes in Nigeria has contributed towards the passage of several primary legislation such as the Fiscal Responsibility Act, Violence against Persons Prohibition Act, National Tobacco Control Act, National Health Act, Public Procurement Act, and Nigeria Extractive Industry Transparency Initiative Act which promotes transparency and accountability in governance as well as the domestication of international conventions at the Federal and state levels in Nigeria through advocacies, presentation of memoranda and public enlightenment programmes and media engagement.

CISLAC along with other civil society organizations campaigned and advocated for passage of the Freedom of Information Act. CISLAC is among the movement advocating for the passage of such pieces of legislation as Disability Bill, Gender and Equal Opportunity Bill, Whistleblower Protection Bill, Prison Reform Bill, etc.

CISLAC has created civil society awareness through publication and dissemination of monthly newsletter—Legislative Digest which have been in circulation for both public and legislative consumption since October 2006. It has been a central medium of accountability, as it provides citizens a platform to monitor the performance of their Legislators, and a channel for Civil Society Organizations advocacy on critical issues that require legislative intervention. Also, CISLAC has a wide range of publications such as Textbooks and Policy Briefs, which examines policies requiring amendment and providing recommendations.

As a renowned CSO in Legislative advocacy in the region, CISLAC has on several occasions shared its experience on best practices for legislative advocacy on invitation from its international partners such as the World Bank Parliamentary Forum and the United Nations Millennium Campaign/Sustainable Development Goals in African countries such as Kenya and Zimbabwe. Similarly, Ghana, Kenya, and Democratic Republic of Congo have also requested support from CISLAC for replication of its work in Legislative advocacy. In many West African countries such as Liberia, Sierra Leone, Ghana, Cameroon, Niger, Togo and Benin Republic, CISLAC has carried out experience sharing and advocacy exercises on the Extractive Industry Transparency Initiative processes through supporting the passage of extractive industry initiative laws in these countries. CISLAC also undertakes capacity building for legislators, CSOs and Media on policy engagements in the above countries.

CISLAC's sub-granting experience includes grants to national organisations. With skilled, committed, experienced and proactive leadership and employees, particularly in the areas of coalition building, tenacious advocacy, community mobilization and the clout needed to engage lawmakers at all levels, the organization has proven capacity to attract international solidarity, engage policy makers and mobilize local civil society groups and communities into action.

Acknowledgement

This report was coordinated by Civil Society Legislative Advocacy Centre (CISLAC), an affiliated organization to the Transparency International (TI) global movement.

Mr. Matthew Jenkins, Mathias Huter and Mr. Rukshana Nanayakkara from the TI Secretariat in Berlin, Germany, provided exceptional guidance throughout the processes that culminated in the production of this work. CISLAC appreciates the technical and strategic support of TI Secretariat towards the realization of the 'Shadow Report' project on SDG 16 in Nigeria.

Also, CISLAC commends the essential contributions of Dr. Ifeolu J. Falegan and Mr. Yahaya Umar of the Office of the Senior Special Assistant to the President of the Federal Republic of Nigeria (OSSAP-SDGs); as well as those of Mr. Oguntuyi Emmanuel of the Ministry of Foreign Affairs, who gave a thorough analysis of the SDG 16 in an interview conducted by CISLAC.

CISLAC is proud to state that this report was made possible by the staff of CISLAC who gave their valuable time and total commitment to this project. No external consultant was employed and no external financial resources was sourced from or spent on this report from any third party. This is a powerful testament to the strength of the organization as well as the technical expertise on the 19 policy areas, ranging from illicit financial flows, interference of politically exposed persons and ending with whistle-blowing, to name only a few highly technical areas covered by this report.

Therefore, it is the staff of CISLAC, headed by the inspirational leader and Executive Director Mr. Auwal Ibrahim Musa, who deserve to be commended for a job well done. Miss Chioma Kanu, Mr. Kolawole Banwo, Mr. Anya Okeke, Mr. Salaudeen Hashim, Mr. Murtala Mohammed, Miss Onyekachi Eke, Mr. Vaclav Prusa, Mr. Austin Erameh, Mr. Chinedu Bassey, Mr. Lukman Adekunle, Mrs. Lovelyn Agbor-Gabriel and Mrs. Osarumwense Edward took their time to look through the questionnaire, compiled relevant facts and transferred this data into a coherent narrative. CISLAC appreciates their immense contributions.

CISLAC is also grateful to all stakeholders and organizations for their invaluable supports in various ways to the completion of the report. We strongly hope that the report will advance the effort of all towards achieving progress under the SDG 16 and beyond.

Yours faithfully,

Auwal Ibrahim Musa (Rafsanjani)
Executive Director
Civil Society Legislative Advocacy Centre

Abbreviations

ACA	Anti-corruption agency
ACTU	Anti-Corruption Transparency Units
ATT	Arms Trade Treaty
AML	Anti-money laundering
CFT	Combating Financial Terrorism
CAC	Corporate Affairs Commission
CBN	Central Bank of Nigeria
CISLAC	Civil Society Legislative Advocacy Centre
DNFBP	Designated, non-financial businesses and professions
EFCC	Economic and Financial Crimes Commission
GFI	Global Financial Integrity
HLPF	High-Level Political Forum
IPPIIS	Integrated Payroll and Personnel Information System
FATF	Financial Action Task Force
FIRS	Federal Inland Revenue Service
ICPC	Independent Corrupt Practices and Other Related Offences Commission
NCS	Nigeria Customs Service
NERGP	National Economic Recovery and Growth Plan
NIS	Nigerian Immigration Service
NVR	National Voluntary Review
NEITI	Nigeria Extractive Industry Transparency Initiative
NFIU	Nigerian Financial Intelligence Unit
OCDC	Open Contracting Data Standard
OPG	Open Government Partnership
ONSA	Office of the National Security Adviser
OSSAP-SDGs	Senior Special Assistant to the President on the SDGs
PACAC	Presidential Anti-Corruption Advisory Committee
PEPs	Politically Exposed Persons
PSAF	Private Sector Advisory Group
SDGs	Sustainable Development Goals
STR	Suspicious Transactions Reporting
TSA	Treasury Single Account
UNCAC	United Nations Convention against Corruption
UNIREC	United Nations Regional Centre for Peace and Disarmament in Africa

Executive Summary and Major Findings

The Sustainable Development Goals (SDGs) 'Shadow' report offers an independent review of the government-led 'National Voluntary Review' (NVR) SDG process in Nigeria. To the occasion of the United Nations High-Level Political Forum (HLPF) meeting in New York in July 2017, this assessment attempts to provide an objective account of the progress made within the 2030 Agenda for Sustainable Development in Nigeria. The report focuses mainly on the anti-corruption agenda, in particular on SDG 16. More specifically, targets 16.4 (illicit financial and arms flows), 16.5 (reduce bribery and other forms of corruption) and 16.10 (access to information) are analysed in depth. This research is based on 175 indicators explicitly developed as part of the global Transparency International project. Secondary data has been collected from publicly available sources and compiled into a report by Civil Society Legislative Advocacy Centre (CISLAC), a leading Non-Governmental Organisation (NGO) in Nigeria and national contact for Transparency International Nigeria.

The Office of the Senior Special Assistant to the President (OSSAP) on the SDGs has to be credited for a compelling NVR, which documents a relatively high political commitment and ownership to the SDG agenda in Nigeria. OSSAP has involved a whole range of stakeholders, especially civil society and the private sector. The NVR outlines linkages between key governmental policies and the SDG agenda with a detailed break-down for the 17 SDGs. OSSAP has established formalised structures such as the Inter-Ministerial Team, CSO Advisory Group and SDG Desk Offices in 36 states and the Federal Capital Territory. Importantly, the NVR categorically states that SDGs 16 and 4 are of special importance to Nigeria as insecurity, large-scale corruption and weak institutions are not only threatening the progress under the 2030 agenda but also the very survival of the Nigeria's territorial integrity and the nation's social fabric.

However, it is recommended that subsequent SDG reviews are more result-focused, instead of descriptive recounts of the organisational and administrative processes. The SDG strategy must be accompanied by a detailed SDG action plan with evidence-based target setting, which is appropriately costed. Clear lines of responsibilities for the implementation of particular SDG targets should be set for ministries, departments and agencies. In spite of the acknowledgement of the importance of baseline data, values for many indicators are still missing to this date. The National Information System on SDGs should be expeditiously finalized with the National Bureau of Statistics covering all SDG indicators and sub-indicators, preferably disaggregated to the level of 36 states. All these measures will come with significant financial and human resources' burden. To mitigate the burden, it is thus imperative to advance efficient structures, which facilitates easy entry for development partners and the private sector under the ownership and leadership of the Government of Nigeria.

This report focuses on the SDG 16 as sustainable and inclusive governance is widely recognized as one of the greatest weaknesses in Nigeria since its independence. Since 1960, Nigeria lost an estimated 400 billion USD to unimaginable levels of corruption and embezzlement, mostly stemming from gas and oil revenues. The natural resource 'curse' will add to other vast leakages in public spending and revenue collection, which will cost around 37% of GDP by 2030 if rampant graft is not addressed. As a result of dysfunctional governance, latest reports by the NBS indicated that at least 61% of Nigerians live below the poverty level, while five million people are in urgent need of food assistance due to the Boko Haram insurgency and ethno-induced conflicts throughout the country. Nigerians are perplexed by high levels of crime, ailing infrastructure and seemingly detached political establishment hiding behind impunity and absurd privileges. Conservative estimates indicate that 70 % of the nation's revenue is used to maintain less than 20% of the

Nigerian population that are public servants.

The President of Nigeria, Muhammadu Buhari, was elected in 2015 on the promise to tackle corruption, which most Nigerians seemed to endorse enthusiastically. Indeed, the fight against corruption has gained traction in the past two years. A national anti-corruption strategy has been adopted in May 2017 focusing on better cooperation amongst the myriad of anti-corruption agencies. Under the target 16.4., new legislation had been enacted to curb money laundering and illicit financial flows. 'Know Your Customer' policy and rigorous control of financial flows has made it harder to siphon cash out of Nigeria. Many high-ranking officials, including a former Minister of Petroleum, a former National Security Advisor, senior judges and other high ranking officials have been charged with corruption-related crimes. Unfortunately, only a few cases have resulted in conviction and imprisonment of the accused persons up to date.

The political backing of beneficial ownership initiative has resulted in a number of legislative and executive actions. Despite some progress, delay in concluding review of the Companies and Allied Matters Act (CAMA) to include, beneficial ownership disclosure, lack of inter-agency cooperation and intelligence-sharing platforms and lack of insufficient collaboration between the public and private sectors in the exchange of information have hindered the progress on the planned (or proposed) Central Registry of companies open to the public. The government has partially delivered on its promise to intensify recovery of stolen assets. About 500 million USD was recovered in 2016 alone. However, in the context of Nigeria losing around 27 billion USD on tax evasion and illicit financial flows in 2013 alone, asset recovery needs to be expedited. Setting up of a special unit for asset recovery and intensified bilateral cooperation with foreign jurisdictions would further fast-track the return of stolen finances. A specialized Service Delivery Account in the Central Bank of Nigeria to manage recovered funds and prevent 're-looting' seems to be a necessity based on the precedence from the past.

In addition, more progress needs to be made to curb arms trafficking and organised crime. Despite the ratification of the international Protocol against the Illicit Manufacturing and Trafficking in Firearms, Nigeria still receives around 70% of the estimated 500 million illicit weapons inflow to Africa yearly. Due to the secretive nature of defence budgets and insufficient oversight of law enforcement agencies, the Nigeria Police and military have a reputation of heavy-handedness and poor respect for the rule of law. Complete lack of transparency in the procurement of military equipment, overpricing, purchase of obsolete and dysfunctional weapons, etc. are symptoms of estimated loss of 15 billion USD in the defence budget between 2000 and 2015. An anti-corruption strategy for the defence sector and the police, effective civil and legislative oversight of defence spending and trust building between the public and the police and military would lead to the prevention of massive loss of life and property to terrorism and other rampant crimes.

The SDG target 16.5 urges reduction of corruption and bribery in all forms. In 2015, 78% of Nigerians claimed that the government was doing badly in fighting corruption. There is a widespread sentiment within the public that corruption is a 'way of life' for Nigerians, especially among the political class and business elites. Politically exposed persons provide only little inspiration to the public to change the social attitudes towards corruption. Twenty per cent out of the 109 Senators face various corruption charges at the moment. Two important Bills are currently being discussed in the National Assembly. Once the bills are passed and subsequently enacted into law, the definition of fraud, trading influence and abuse of functionality will be more legally grasped. However, there is a widespread pessimism that better legislative framework will alone lead to the reduction of grand corruption and wide-spread bribery in the society, especially in the public sector.

Integrity and transparency of elected representatives and public officials needs to be significantly enhanced. A law regulating lobbying is being discussed in the Legislature. Central Registry for

lobbyists may expose the influence of private business on the legislative, especially in vital parts of the Nigerian economy such as extractive industries and the defence sector. The movement of individuals between public office and the private sector shall be regulated by 'revolving door' policy, which may introduce 'cooling off' periods between retirement of senior public officials and subsequent employment in private sector. Legal provisions in regards to the asset disclosures need to be respected in full, including the revision of the legal framework so that sanctions are proportionate and not dissuasive. Asset declarations for elected officials, senior public servants and judges need to be re-classified as public documents and be open to the scrutiny of the citizenry.

It is further imperative to induce a culture of openness and transparency in the budgeting process and fiscal matters at the national and sub-national levels. In 2016, only 8 states out of 36 sub-national entities had their budgets posted online. Despite some improvements in the transparency of the national budget, key provisions regulating the budgetary procedures and the citizen participation in the process are missing. Public contracting and procurement processes require urgent attention. It is estimated that 70% of Nigerian companies pay graft to secure government contracts, especially contracts between the government and extractive industries need to be disclosed in full and their commercial valuation scrutinised by external experts and the public.

Most importantly, the electoral processes at the federal and sub-national level need to be free of political profiteering and manipulation. The Independent National Electoral Commission (INEC) must possess the independence and capacity to sanction breaches of the provisions of the National Electoral Act, 2010. The political parties' financing is prone to undue influence of wealthy 'godfathers' who circumvent the rules put in place by the Electoral law. To curtail these abuses, a strict supervision and effective sanctioning are needed in conjunction with the pressure from the 'grass-root' for respectable candidates with high personal integrity and moral standing.

This report further states that some progress has been done under the Target 16.10 in ensuring public access to information and protection of fundamental rights and freedom. The Freedom of Information Act, 2011 recognises unhindered access to public information. A whistle-blower policy has been adopted recently and has yielded some results in terms of exposing proceeds from corruption and embezzlement. A new Whistleblower Protection Law is being discussed in the National Assembly and once enacted, it shall enhance personal protection to whistleblowers. An establishment of the Office of a Federal Information Minister or the like and greater promotion of public awareness of the Freedom of Information Act, 2011, is needed. Such measures would champion the much needed culture of data and information openness in the public and private domains in Nigeria.

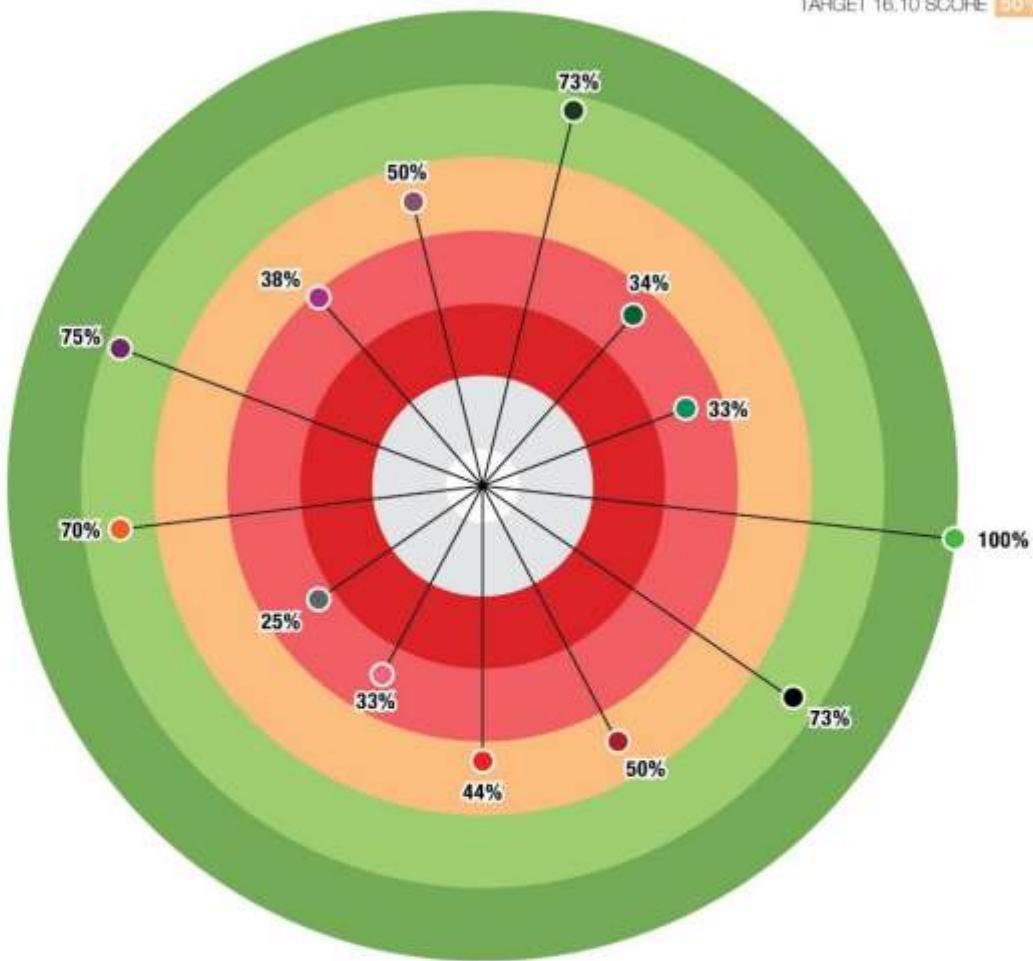
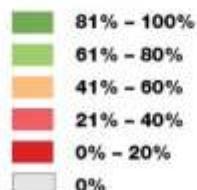
This independent review shows that the progress under the SDG 16 has been achieved largely at the legislative level. Recently enacted legal provisions pave avenue to curbing illicit financial flows, recovering of stolen assets, disclosing beneficial ownership, trafficking of arms, etc. New policies in the anti-corruption domain attempt to coordinate the anti-corruption crusade in urging better cross-ministerial and agency cooperation. However, it remains to be seen if the improved legal and policy framework will enable or encourage prosecution of corrupt political and business elite and others. The extent of implementation of these measures will determine if financial loopholes at the national and state-levels are reduced and greater transparency into the governmental business is induced. Unless tangible achievements are presented to the public, the general atmosphere of resignation and hostility towards the governance structure is likely to persist amongst the public. In this context, the progress under SDG 16 can be made only if the legislative and policy framework in place is rigorously implemented at the national and sub-national level.

Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	
16.1 Significantly reduce all forms of violence and related death rates everywhere	16.1.1 Number of victims of intentional homicide per 100,000 population, by sex and age 16.1.2 Conflict-related deaths per 100,000 population, by sex, age and cause 16.1.3 Proportion of population subjected to physical, psychological or sexual violence in the previous 12 months 16.1.4 Proportion of population that feel safe walking alone around the area they live
16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children	16.2.1 Proportion of children aged 1-17 years who experienced any physical punishment and/or psychological aggression by caregivers in the past month 16.2.2 Number of victims of human trafficking per 100,000 population, by sex, age and form of exploitation 16.2.3 Proportion of young women and men aged 18-29 years who experienced sexual violence by age 18
16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all	16.3.1 Proportion of victims of violence in the previous 12 months who reported their victimization to competent authorities or other officially recognized conflict resolution mechanisms 16.3.2 Unsentenced detainees as a proportion of overall prison population
16.4 By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime	16.4.1 Total value of inward and outward illicit financial flows (in current United States dollars) 16.4.2 Proportion of seized, found or surrendered arms whose illicit origin or context has been traced or established by a competent authority in line with international instruments
16.5 Substantially reduce corruption and bribery in all their forms	16.5.1 Proportion of persons who had at least one contact with a public official and who paid a bribe to a public official, or were asked for a bribe by those public officials, during the previous 12 months 16.5.2 Proportion of businesses that had at least one contact with a public official and that paid a bribe to a public official, or were asked for a bribe by those public officials during the previous 12 months
16.6 Develop effective, accountable and transparent institutions at all levels	16.6.1 Primary government expenditures as a proportion of original approved budget, by sector (or by budget codes or similar) 16.6.2 Proportion of population satisfied with their last experience of public services
16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels	16.7.1 Proportions of positions (by sex, age, persons with disabilities and population groups) in public institutions (national and local legislatures, public service, and judiciary) compared to national distributions 16.7.2 Proportion of population who believe decision-making is inclusive and responsive, by sex, age, disability and population group
16.8 Broaden and strengthen the participation of developing countries in the institutions of global governance	16.8.1 Proportion of members and voting rights of developing countries in international organizations
16.9 By 2030, provide legal identity for all, including birth registration	16.9.1 Proportion of children under 5 years of age whose births have been registered with a civil authority, by age
16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements	16.10.1 Number of verified cases of killing, kidnapping, enforced disappearance, arbitrary detention and torture of journalists, associated media personnel, trade unionists and human rights advocates in the previous 12 months 16.10.2 Number of countries that adopt and implement constitutional, statutory and/or policy guarantees for public access to information
16.a Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime	16.a.1 Existence of independent national human rights institutions in compliance with the Paris Principles
16.b Promote and enforce non-discriminatory laws and policies for sustainable development	16.b.1 Proportion of population reporting having personally felt discriminated against or harassed in the previous 12 months on the basis of a ground of discrimination prohibited under international human rights law

Table 1: SDG 16: source: Sustainable Development Knowledge Platform 2017, <https://sustainabledevelopment.un.org/>

COUNTRY
NIGERIA
SDG AGGREGATE VALUE

TARGET 16.4 SCORE 57%
TARGET 16.5 SCORE 52%
TARGET 16.10 SCORE 50%


VALUES

POLICY AREA (clockwise)

- Anti-Money Laundering
- Beneficial Ownership
- Asset Recovery
- Arms Trafficking
- Transparency and Integrity in Public Administration
- Transparency in Lobbying
- Whistleblowing
- Transparency in Party & Election Campaign Finance
- Fiscal Transparency
- Integrity in Public Procurement
- Access to Information
- Anti-Corruption Framework and Institutions
- Private Sector

KEY MESSAGES

Nigeria has lost around 400 billion USD to corruption since independence in 1960. Since 2015, the anti-corruption agenda has gained traction. A new anti-corruption strategy has been launched in 2017, the Senate and the National Assembly passed or are debating important legislation on money laundering, illicit financial flows, asset recovery and whistleblowing. However, asset declarations of politically exposed persons are either ignored or inaccurate while political elites enjoy impunity. The secretive nature of the armed forces and law enforcement drives corruption and large embezzlement, seriously hindering the fight against terrorism and organised crime. Access to information and open data policy needs to be improved. Governmental procurement and beneficial ownership requires decisive steps towards public transparency. Anti-corruption agencies must operate in an environment free of political interference. Unless these policy areas are tackled, the targets under SDG 16 will not be met.

List of Recommendations

National Voluntary Report

1. Develop a costed Implementation Action Plan for all SDGs at the national and sub-national levels;
2. Develop strategy to harmonise State Development Plans with the SDG implementation;
3. Strengthen existing National Information Management System for data collection in collaboration with the National Bureau of Statistics and state SDG counterparts covering all sub-indicators, preferably disaggregated to the national and sub-national levels whenever appropriate; and
4. Apply evidence-based approach to realistic values for SDG targets

Target 16.4: By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime

Anti-money Laundering

5. Expediently approve two anticorruption bills, the Money Laundering Prevention and Prohibition Bill 2016 and the Mutual Legal Assistance in Criminal Matters 2016 by the legislature and sign them into Law;
6. The new Money Laundering Bill shall expressly prohibit retaliation by employers against whistle blowers in the event that they are discharged or discriminated against by their employers;
7. Intensify cooperation among the financial institutions and watchdogs in Nigeria and internationally, especially in regards to money laundering crimes including theft, corruption and tax evasion in the oil industry and other revenue generating industries;
8. Strengthen Anti Money Laundering/ Combating Financial Terrorism supervision of banks focused on the risks of laundering of the proceeds of corruption and in particular oil theft;
9. Enhance transparency of assets owned by senior officials and politically exposed persons as required by the Code of Conduct Act;
10. Sign the OECD Competent Authority Multinational Agreement on automatic exchange of financial account information as required by Financial Action Task Force.

Beneficial Ownership Transparency

11. Urgently establish companies' registry within Nigeria's Corporate Affairs Commission and make it public;
12. Strengthen the enforcement of the Companies and Allied Matters Act (CAMA) and to review sanctions for non-compliance;
13. Name and shame Politically Exposed Persons and their relatives behind private companies' ownership including revealing of their assets in line with the Code of Conduct Law;
14. Improve data availability on freely searchable public and private companies' ownership. Disclose fully company's ownership structures, licencing, names of directors and management, public accounts beneficial owners and beneficiaries of trusts and shareholder structures.

Recovery of Stolen Assets

15. Intensify bilateral and multilateral agreements with the aim to prevent, detect and deter the international transfer of proceeds of crime and funds of illicit origin;
16. Establish a dedicated, independent unit, tasked with the sole responsibility to recover and return assets. The Unit shall be tasked to identify, trace, seize, recover and return the proceeds of crime and funds of illicit origin including enhanced due diligence on financial flows from identified high risk jurisdictions;
17. Promote transparency and the involvement of Civil Society and citizen participation in the application and use of returned assets; and
18. Establish a Specialized Service Delivery Account under the Central Bank of Nigeria to place and manage recovered assets to prevent 're-looting' of funds.

Fight against Organized Crime

19. Review the 1999 Constitution as Amended to allow civil oversight, which includes legislative oversight and citizens' participation of the police and military budgets;
20. Abolish secretive relics within the military budgets such as 'security votes'; Enhance monitoring of the implementation of the Anti- Terrorism Act, the Anti-Piracy Act and the Money Laundering and Terrorism Financing Act;
21. Provide capacity building to internal auditors within the military, the police and the legislators to prevent and detect organised crime incursions, especially corruption practices; and
22. The Public Procurement Act should be extended to provide a legal framework for defence procurement and asset disposals or alternative legal provisions should be drawn up to regulate defence procurement and asset disposals.

Arms Trafficking

23. Establish an anti-corruption unit within the Nigerian military under the Inspector General of Armed Forces with the mandate to investigate suspicious weapon sales from military stock piles;
24. Make military and police assets' sales transparent and open to public scrutiny;
25. Improve military, police and customs weaponry stockpile management; and
26. Introduce anti-corruption policy to the Nigerian Immigration Service and Nigerian Customs Service.

Target 16.5: Substantially reduce corruption and bribery in all their forms

Anti-Corruption Framework and Institutions

27. Include in the Money Laundering Prevention and Prohibition Bill the bribery of foreign public officials and officials of public international organizations, and consider establishing the passive version of the offence;
28. Criminalize trading in influence with an improved legal definition;
29. Close loopholes in legal definitions related to criminalizing bribery between private sector actors;
30. Eliminate legislative loopholes that enable obstruction of justice in bribery charges;

31. Review the scope of persons covered by criminal immunities to ensure the possibility of effectively investigating and prosecuting politically exposed persons; and
32. Ensure full independence from political interference to anti-corruption agencies
33. Eliminate duplication of mandate between EFCC and ICPC for more effective implementation of anti-corruption policy;
34. Ensure that coherent statistics on prosecutions and investigations, including forfeited and confiscated assets are produced and updated regularly.

Transparency and Integrity in Public Administration, Revolving Door

35. Asset declaration forms should be treated as public documents within the meaning of section 109 of the Evidence Act. The asset declarations of top government functionaries should be posted on the website of the Code of Conduct;
36. The Code of Conduct Act shall be amended to insert a 'cooling-off' provision for senior public servants and politicians stipulating a period of time between retirement and private business employment; and
37. Introduce a 'revolving door' policy regulating and investigating conflict of interest's cases and undue linkages between the private and public sectors.

Private Sector Corruption

38. Expedite the passage of the Bill For An Act To Provide For The Establishment Of The Nigerian Trade And Competition Commission And For Other Matters Connected Therewith;
39. Open the bidding processes to the public, especially in the extractive industries; and
40. Disclose contracts between oil & gas companies and the Government without any preconditions and retrospectively.

Lobbying Transparency

41. Speed up enacting the Bill for an Act for the Regulation and Registration of Lobbyists;
42. Establish a central register of lobbyists and lobbying entities; and
43. An independent body and the civil society shall monitor the Act for the Regulation and Registration of Lobbyists once enacted.

Whistle-blowing

44. Expedite the enactment of the Whistle Blowers Protection Bill;
45. Government and civil society shall highlight positive stories of whistle blowing leading to exposing corruption and assets' recovery, etc.

Party and Campaign Finance Transparency

46. Ensure full political independence of the Independent National Electoral Commission and fully expose political interference in the electoral process at the national and state level;
47. Strictly apply the Electoral Act 2010, especially the structure of donations and expenditures of individual and party candidates;
48. Ensure the accuracy and disclosure of party and individuals donations and expenditures;

49. Ban individuals breaching the Electoral Act 2010 from the public life; and
50. Expose beneficial ownership of corporations donating financial resources to parties and individuals.

Fiscal Transparency

51. Nigeria needs a fiscal transparency code or a budget law specifying roles for ministries and other stakeholders in the drafting of the budget. Existing laws and regulations include provisions that are contradictory and ambiguous;
52. An amended legal framework should provide for public participation in the budget process;
53. Available budget information shall be comprehensive on actual spending by government. Fiscal data should be open to the public and be coherent and adequate; and
54. Off-budget funds should be open to public audit unless justified otherwise.

Public Procurement and Government Contracting

55. The Public Procurement Act 2007 shall be amended to require the publication of public contract awards;
56. The Public Procurement Act 2007 shall be amended to require the bidders to disclose their beneficial owners; and
57. CSOs need to step up their capacity to oversee procurement planning, bidding, tendering and evaluation.

Target 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

Access to Information

58. Improve knowledge management and pro-active information disclosure within MDAs;
59. Review classification of secrecy to information whose disclosure could lead to harming national and security interests;
60. Establish an office of a Federal Information Minister or Ombudsman mandated with the request of pro-active information disclosure of MDAs to the public;
61. Promote public awareness on the existing Freedom of Information Act 2011 amongst the public and the public servants; and
62. Champion the culture of data and information openness within the public and private sector.

Open Government Data

63. De-politicize' data gathering and analysis, conduct National Household Census as soon as possible and free of political interference; and
64. Issue minimum standards of data openness for the MDAs at the national and state level.

Introduction

Nigeria has been plagued by enormously high levels of corruption and mismanagement since its independence in 1960. A study conducted by the auditing firm Price Waterhouse Coopers in 2016 projects the cost of corruption to reach 37% of GDP by 2030 if this concern is not addressed (PWC, 2016). This equates to about 1000 USD per capita in 2014 and is expected to rise to nearly 2000 USD per capita in 2030, whereby around 61% of Nigerians live on less than 1.25 USD per day in 2010 when the last poverty count was conducted by the National Bureau of Statistics. In the Northeast of Nigeria, five million people are in urgent need of food assistance according to the International Rescue Committee. Direct correlation or linkage between high levels of corruption and widespread poverty as well as insecurity across the country is clearly evidenced and undisputed.

In contrast, Nigeria is tremendously rich on natural resources, especially oil and gas. The oil and gas sector accounts for about 35 per cent of GDP, and petroleum exports revenue represents over 90 per cent of total exports revenues. According to OECD, Nigeria's export oil revenue has totalled 340 billion USD since the 1970s, making the country the fifth largest producer in the world. At the same time, Nigeria is projected to have 43,000 individuals in 2017 owning assets worth at least 1 million USD. Nigeria also boasts 23 billionaires with collective wealth reaching almost 78 billion USD (The Guardian, 2014). As the number of millionaires and billionaires increases every year, the poverty rate continues to proliferate due to staggering inequality.

Much of this wealth in Nigeria stems from corruption and embezzlement, a fact that nearly nobody denies. Citizens across the nation recount their experiences about these anti-social menaces through radio channels, TV shows and social media, especially how corruption continues to make their daily lives unbearable. The President of Nigeria Muhammadu Buhari was elected in 2015 on the promise to tackle corruption, which most Nigerians seemed to endorse enthusiastically. Indeed, the fight against corruption has gained traction in recent two years. Social and traditional media broadcast daily stories of new corruption stories, asset recoveries and measures put in place to tackle various forms of corruption.

In the policy domain, some important reforms have been launched. A national anti-corruption strategy has been finally adopted in May 2017, focusing on the division of labour and better cooperation of the various anti-corruption agencies in the country. The launch of the Treasury Single Account (TSA), which merges separate bank accounts for Ministries, Departments and Agencies (MDAs) and creates one single account for remittances of all revenue collections of the MDAs, has contributed to an immediate reduction of budgetary waste and embezzlement in the various public sector entities. The expansion of the Integrated Payroll and Personnel Information System (IPPIS) and the Government Integrated Financial Management Information System (GIFMIS) has brought an elimination of thousands of ghost workers from the public sector payroll. Internationally, the accession of Nigeria to the Open Governance Partnership initiative has meant an intensification of international cooperation in illicit financial flows, tax evasion, asset recovery, beneficial ownership and an exchange of information between foreign jurisdictions and the Nigerian authorities.

The national anti-corruption strategy aims at deterring corruption by ensuring the arrest, trial and

conviction of corrupt individuals and recovering the proceeds of corruption with the hope of utilizing them to finance developmental projects for the benefit of the citizens. Many high profile charges are pending on many suspects, particularly legislators, governors, former ministers and other public officials. However, only few charges have been successfully prosecuted and resulted in the conviction and prison sentences of accused persons. In 2015, a former National Security Adviser to the President, Col. Sambo Dasuki, was arrested for allegedly stealing 2 billion USD from the national budget meant to fight Boko Haram insurgents. Yet, this has been one of the few cases where outrageous corruption led to an arrest.

The acquittal of Godsday Orubebe, former Minister of Niger Delta, by the Court of Appeal, who was initially convicted by the Code of Conduct Tribunal (CCT); Justice Adeniyi Ademola recalled by the National Judiciary Commission (NJC) with pending allegations of corruption; and the recent acquittal of the Senate President, Bukola Saraki of all the 18 charges of false asset declarations and other related charges are examples of cases where the judiciary in Nigeria failed to provide justice on cases involving top public servants and politically exposed individuals, mostly due to questionable procedural errors and lack of evidence in the trials. The slow progress in prosecuting corruption and high profile acquittals of suspects has continued to fuel the public sentiment, which decries the impossibility of the fight against corruption in Nigeria and perceived impunity of the elites. This general apathy towards corruption manifests serious attitudinal challenge to the fight against corruption.

Indeed, most Nigerians think that the progress in government's anti-graft campaign has been too slow and uneven. The prolonged recession which has seen Nigeria's economy contracted by 1.54% in 2016 and 0.52% during the first quarter of 2017, insecurity in many parts of the country and low oil prices portends a potentially dangerous 'storm' for large civil unrests if improvements are not noticed across the country. All this brings an additional impetus to urge the Government of Nigeria and all other stakeholders to ensure tangible progress is made under the Sustainable Development Goal 16 which focuses on sustainable governance.

This shadow report comes within the larger SDG context at the national and global level. Nigeria has adopted the SDGs much more enthusiastically than the MDGs, which fell short to a great extent, in part due to widespread corruption and public resources mismanagement in Nigeria. The President established a dedicated office on the SDGs right in his office. Nigeria has been one of the first countries on the continent to do so after the SDG official launch in 2015. This office is headed by the Senior Special Assistant to the President on the SDGs (OSSAP-SDGs) and is charged with the inter-governmental coordination, planning, multi-stakeholders' partnership and resource mobilization. Inter-Ministerial Committee on the SDGs has been also established to improve the cooperation on SDGs across the governmental portfolio. There are also SDG committees established both in the Senate and in the House of Representatives.

It is only recently that the Government invited the Private Sector Advisory Group (PSAG) and international development partners to contribute to the SDG implementation. Despite a sound and comprehensive SDG strategy in place, the OSSAP has not yet produced a national implementation plan which would assign a lead institution(s) for every SDG target, including a plan of activities on how to achieve the indicators. The baseline for majority of indicators is in the

making and will hopefully address the challenge for the governmental stakeholders, civil society and the international community to provide targeted assistance against clear benchmarks.

OSSAP has demonstrated a concentrated effort to include a wide range of civil society stakeholders in the SDG process. Publicity and advocacy programmes have been launched in order to enhance awareness about the SDGs across the nation. At the policy level, the Transition Strategy Action Plan was developed with the aim to smoothen the evolution from MDGs to the SDG agenda. Crucially, there is a clear effort to prepare the framework for stronger data collection for SDGs together with the National Bureau of Statistics. Finally, consultative meetings across the ministries, agencies, CSOs and international partners take place regularly. The upcoming UN High Level Policy Meeting in New York to present the Governmental National Voluntary Review (NVR) of Implementation of the SDGs (2017) is a powerful evidence of extra steps taken by the Nigerian government to mobilise national efforts and tap into international cooperation to deliver on the SDGs.

However, it is fair to acknowledge that SDG implementation has a number of challenges. The process appears to be centralised in the OSSAP-SDGs with unclear evidence that dedicated government and non-governmental partners would unite in their technical contributions under the particular SDG goals, indicators and targets. The process has also concentrated on procedural issues with little technical discussion and a few actionable points, which would outline a concrete 'to-do' list to specific stakeholders. Instead, there has been too much 'SDG marketing' at the expense of tangible policy and implementation focus.

This lack of specificity has left many stakeholders in dilemma on how to streamline their particular work towards the larger SDG effort. For example, until recently there was no formal discussion on how indicators and their targets can be linked to the ministerial policies or the work of the thousands of NGOs present in the country. Under the SDG 16, there has been an absence of a formalised mechanism on the inclusion of anti-corruption related targets in the portfolio of numerous agencies charged in the country with combating corruption. In fact, this research feeding into this report has shown that key anti-corruption institutions are not aware of relevant SDG targets on the operational level. There is only a little evidence that these indicators are taken on board. This is an astonishing finding, given that the anti-corruption campaign has been a major mantra of the Buhari-led administration.

This shadow report is thus a modest contribution to the monitoring of the SDG progress in Nigeria. More specifically, the focus lies on SDG 16, in particular target 16.4 which aims *by 2030 to, 'significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organised crime; while target 16.5 seeks to "substantially reduce corruption and bribery in all their forms"; and target 16.10 aims to "ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements"*. The OSSAP-SDGs acknowledges that the progress under SDG 16 with its focus on security, institutional strengthening and in particular anti-corruption will likely determine how well Nigeria will respond to the Agenda 2030. This shadow report aims at providing independent and objective assessment as well as progress made under the critically important SDG 16.

The 2030 Agenda for Sustainable Development

Spearheaded by the United Nations, the SDGs, also known as *Transforming Our World: the 2030 Agenda for Sustainable Development*, is a set of 17 aspirational “global goals” and 169 targets adopted in 2015 by the 193 UN member states. All UN member states have committed to these global goals that are intended to steer policy-making and development funding for the next 15 years. Of particular relevance to the anti-corruption agenda is SDG 16 on sustainable governance, most notably targets 16.4 on illicit financial flows, 16.5 on bribery and corruption and 16.10 on access to information.

Global targets and indicators have been set for each goal with the expectation that they will be incorporated into national planning processes and policies. Countries are also encouraged to define national targets tailored to their specific circumstances and identify locally relevant indicators and data sources that will be used to measure progress towards achieving each of the SDG targets.

As part of its follow-up and review mechanisms, the 2030 Agenda for Sustainable Development encourages member states to conduct regular national reviews of progress made towards the achievement of these goals through an inclusive, voluntary and country-led process. In addition, each year certain state parties volunteer to report on national progress to the High-Level Political Forum (HLPF), which will meet next in July 2017 in New York. The Civil Society Legislative Advocacy Centre, a local chapter of Transparency International in Nigeria, will be among the 44 countries reporting this year. While SDG 16 will not be reviewed in-depth by the HLPF until 2019, integrity risks across the SDG framework make it essential to monitor national progress against corruption from the outset.

Rationale for this Shadow Report

While governments are expected to take the lead in reviewing progress towards the SDGs, national-level monitoring needs to go beyond the remit of governments to include civil society and other stakeholders.

This shadow report is based on data collected by Civil Society Legislative Advocacy Centre (CISLAC), a leading Nigerian NGO on a wide range of good governance topics and a national contact of Transparency International.¹ The report has been developed in response to three key issues related to the official SDG monitoring processes: the multi-dimensional nature of SDG targets, data availability and perceived credibility of data generated by government agencies. Collectively, these limitations provide a strong rationale for an independent appraisal of the government's anti-corruption efforts in the context of the SDGs.

Firstly, several of the targets under goal 16 are multi-dimensional in the sense that they measure broad concepts like “corruption” which cannot be adequately captured by a single indicator. Moreover, the indicators in the official global set do not sufficiently cover the full ambition of the

1. CISLAC has a status of an 'affiliated chapter' which recognizes it the status of a national contact for Transparency International with the headquarters in Berlin, Germany. CISLAC is however independent, national entity with own management and funding structures.

targets. For instance, target 16.5 seeks a substantial reduction in corruption and bribery “in all their forms”, but the only approved global indicators measure bribery between public officials and the public or business. There are no measures of corruption within or between governments or other forms of non-governmental corruption. For some targets, the selected global indicators fail to capture critical aspects. For instance, target 16.4

seeks to combat all forms of organised crime, but there is neither official indicator that measures organised crime nor any endorsed indicator to measure the recovery and return of stolen assets. *This shadow report seeks to provide a more comprehensive picture of the national anti-corruption progress across a range of crucial policy areas.*

Secondly, even where the official indicators are themselves capable of capturing progress towards SDG 16 targets, there is, in most cases, an absence of data to correspond to these indicators. Many of the global SDG 16 indicators rely on data that is not regularly produced or currently have no established methodology or standards for data collection. Thus, *this shadow reporting exercise is partly an effort to compensate for insufficient coverage of and data availability for official SDG 16 indicators by presenting alternative indicators, data sources and proxies.*

Finally, the official assessment of the progress made towards the SDG targets relies on data generated by government agencies, particularly national statistics offices. The reliability and credibility of official data may be open to question for two reasons. Firstly, in some settings, national statistics offices may simply be overwhelmed by the task of producing data for 169 targets. Secondly, politically sensitive targets, such as those related to corruption and governance, require that governments assess their own efficacy. Illicit financial flows (16.4) may involve government officials, corruption (16.5) may involve government elites, while governments may be restricting information, or even targeting journalists, trade unionists or civil society activists (16.10). Given the challenges described above, independent analysis is vital to complement and scrutinise official government progress reports related to SDGs 16.4, 16.5 and 16.10.

The information gleaned from the shadow reporting exercise and presented in this report can be used as input into two key processes. At the global level, the key findings as well as the methodology can be used to complement National Voluntary Reviews at the HLPF in July 2017. Nationally, this information generated can feed into governmental SDG review processes taking place on a regular basis.

Methodology

The report aims to provide a broad assessment of national progress towards three SDG targets linked to anti-corruption and transparency, namely targets 16.4, 16.5 and 16.10. A number of policy areas are covered under each of these three SDG targets to provide a rounded overview in a way that goes beyond the narrow understanding of corruption captured by the official global indicators.

An administrative questionnaire has been developed by Transparency International Secretariat in Berlin/ Germany. 19 specific policy areas are covered in relation to targets 16.4, 16.5 and 16.10 with a total number of 175 indicators assessed. Each policy area was assessed against three elements. First, there was a scored evaluation of the country's *de jure* legal and institutional

framework. Second, relevant country data from assessments and indices produced by civil society groups and international organisations was considered. A qualitative appraisal of the country's *de facto* efforts to tackle corruption and related issues constitutes the backbone of this work as well as informed commentary of the context under each particular policy area covered in this report.

#	Policy area	# of questions
1	Anti-Corruption framework and institutions	32
2	Arms trafficking	6
3	Experience and perceptions of corruption	5
4	Private sector corruption	5
5	Transparency and integrity in public administration	16
6	Access to information	16
7	Anti-money laundering	16
8	Beneficial ownership transparency	12
9	Fight against organized crime	3
10	Fiscal transparency	3
11	Lobbying transparency	7
12	National SDG implementation plan and monitoring process	6
13	Open Government Data	4
14	Party & election campaign finance transparency	7
15	Protection of fundamental freedoms	7
16	Public procurement	7
17	Recent developments	6
18	Recovery of stolen assets	8
19	Whistle-blowing	9
Total number of indicators		175

Table 2: Policy areas assessed

77 indicators are nominal, based on a scoring methodology which assigns a numerical value to Nigeria's legal framework, based on guidance provided for each indicator. Each numerical value corresponds to one of the following five scores:

- **Dark Green / 1**
- **Light Green / 0.75**
- **Yellow / 0.5**
- **Light Red / 0.25**
- **Dark Red / 0**
- **White / –**

Dark Green / 1 Light Green / 0.75 Yellow / 0.5 Light Red / 0.25
Dark Red / 0 White / – Note: not all five coloured scores are available for each question.

The primary data collection has been primarily desk based from publicly available sources and the expertise of CISLAC. A few interviews and discussions were conducted with some key informants for example the OSAAP-SDG.

It is acknowledged that no large primary data has been conducted to test the vast body of secondary research quoted in this report. The vast policy areas covered in this report and extremely dynamic development in the governance domain in general and under the three specific targets specifically test our ability to provide required level of detail and be up-to-date. For instance, in a number of policy areas covered by this paper, crucial anti-corruption bills are currently being discussed in the National Assembly. Despite the endorsement of the Legislature in its current form, the final version of the Bills may be very different from the studied version. This challenge is also highlighted in the body of the text (and in recommendations) wherever appropriate.

Moreover, international data on a wider range of issues covered by this report are outdated. For example, data on cumulative illicit financial flows can be traced only to 2014. Some critical national data are not available at all. Illustratively, reliable data from the justice sector, police or military is frequently missing. Operational and capacity challenges coupled with the general atmosphere of secrecy around the governmental business are contributing factors for noticeable lack of evidence. This research did not allow for extensive questioning of relevant authorities and 'data-chasing'. However, the unavailability of data for this report is frequently highlighted as a deficiency of (mostly) governmental information management systems. For example, the Federal Government and states are obliged to publish state budgets and procurement rules which prescribe the disclosure of contracts. However, data and relevant information on these key areas are being withheld. While this lack of evidence has inevitably led to understandable challenges, it classifies as a finding in its own terms.

Finally, the accuracy and the credibility of primary and secondary sources have been rigorously assessed against the long-standing experience of CISLAC in the anti-corruption work in Nigeria. The international technical expertise has been further rendered to this project by anti-corruption experts in the Transparency International Office in Berlin. Despite this effort, the SDG targets encompass 19 policy areas with more than 170 questions. The large scope of topics covered and high technical expertise across numerous governance areas have created obvious challenges for the research team within the extremely limited time frame available for this work.

Governmental National Voluntary Review

The National Voluntary Review (NVR) report for Nigeria was prepared by the OSSAP-SDGs as the official governmental revision of the SDG process. Nigeria volunteered to be among the 44 countries participating in the second round of 2017 NRVs on SDGs. The report concentrates on the progress and the status of the implementation of the SDGs at the level of processes in place and policy frameworks developed. The document highlights key policy, institutional as well as regulatory measures that had been put in place since launching the SDGs in 2015. The Nigerian NVR is expended by the additional information on goals 4 (quality education) and goal 16 (peace and justice) as these goals are recognized by OSSAP as crucial for the SDG implementation. These two goals are also quoted as key for delivering on the Economic Recovery and Growth Plan (NERGP)², a crucial governmental economic plan launched in 2017.

It is recognized that there has been an extensive participatory element in preparing the NVR. The compilation and data collection was led by an Inter-Ministerial and Non-Governmental Working

2. The NERGP is Nigeria's National Medium-Term Plan for 2017 – 2020 and was developed for restoring economic growth while leveraging on the ingenuity and resilience of the Nigerian people. The policy blueprint which spells out the government's roadmap for security improvement, war against corruption as well as economic revitalization, is also a compendium of government's sectoral plans for agriculture and food security; energy and transport infrastructure as well as for industrialization and social investments.

Group under the OSSAP-SDGs. Information gathering took place through a structured template distributed to the ministries and departments on the aligning of the sector work to various SDG targets.

The OSSAP organized one workshop for about 200 stakeholders to collect the opinions of the national government, CSOs, organized private sector, the academia, parliamentarians, sector MDAs and some state governments. A one-day national consultative workshop was held on SDG thematic areas as the basis for the report. According to the SDG Special Adviser, the zero-draft of the report had been reviewed by a Technical Working Group after which a second version was circulated to the various stakeholders for further review, comments and validation.

However, it is unclear to what extent the line ministries and departments contributed to the report. Key governmental policies are mentioned throughout the report such as the recently launched Nigeria Economic Recovery and Growth Plan (NERGP). The report provides an overview of key policies and strategies under each of the 16 goals. The NVR made an effort to link up key federal frameworks with the 17 goals and the 69 selected SDG indicators. It is also commendable that most indicators include, in many cases for the first time, baseline values for 2015. Targets are set for intermediary year 2020 as the end-year of the key NERGP. End targets are included for 2030. Under each goal, key policies and actions are grouped into three categories: i) the federal government, ii) sub-national governments and iii) CSOs.

The NVR is somewhat vague in stating that the NERGP strategy is aligned with the SDGs intent and content without providing details in many instances. The report refers to three key dimensions as cross-cutting themes of the SDGs: i) social, ii) economic and iii) environmental. It refers to various governmental policies and strategic plans within the three dimensions, which does show an integration of the SDGs into governmental policymaking and budgetary circle, albeit at the level of overarching policy design. Yet, with the large areas covered by SDGs, the diversification into these three broad categories did not enable a thorough scrutiny of the actual alignment of SDGs into the quoted policies. It is thus not clear at what length the SDG process has formed the governmental agenda or has been reflected as a basis within key governmental socio-economic policies. A more detailed analysis of the nexus between the SDG strategy and governmental policies grouped under the 17 goals would enable a clearer overview of the practical aspects of the SDG integration.

Furthermore, the evidence-basis for the calculation of some target values leaves some room for explanation. For example, under goal 1, key indicator of the Proportion of the population living below the national poverty line, disaggregated by sex and age highlights the 2015 baseline value 62.6% of people living below the national poverty line. The target for the year 2020 is calculated at 41.8% and target for 2030 is set at 0%! This projection seems to be highly unlikely given the fact that poverty level in Nigeria has been increasing in the past decade or so. According to the National Bureau of Statistics, in 2004, the poverty level reached 54.7%, in 2010 60.9%. With the current oil price at below \$50 per barrel, Nigeria is struggling to overcome deep economic recession. Unemployment is at 13.9 percent, underemployment at 19.1 percent, and inflation at an all-time high of 17.1 percent. This is by any means a very ambitious projection within the economic context.

Indeed, the end target for 2030 is set for most of the indicators to the extreme range of intended positive outcome. Such development trajectory is highly unlikely to be achieved in most of the key areas across the SDG spectrum as the wider trend for socio-economic indicators is rather negative for Nigeria. Despite the acknowledgment that a detailed context analysis would significantly go beyond the scope of the NVR, the report would be enriched by an overview of the necessary economic, political and security drivers necessary for achieving key targets. Without sufficient

context and background analysis, the target setting appears to be generally isolated from factors determining the successful SDG implementation.

Furthermore, it is noted that many indicators lack disaggregation. For example, key indicators under goal 1 do not contain disaggregation by gender and age. This is worrying as Nigeria has well-documented gender gaps in education, economic empowerment, social and political participation. Despite the recognition of the existing gaps in statistics, it is further imperative that the disaggregation for most of the indicators extends to the sub-national level. There are noticeable developmental differences across the 36 sub-national entities in Nigeria. For illustration, Sokoto State in the North West records the highest poverty rate of 86.4% citizens living below the poverty line while Anambra State in the South East has the lowest level of 22%. Given the high disparity amongst the states and thin resources at the national level, the disaggregation to the sub-national level seems to be an important precondition for tailoring specific policy measures to progress under the SDGs agenda.

In terms of the stakeholders' inclusion in the SDG process and in the NVR compilation, OSSAP has paved the framework to include private sector and CSOs. CSOs have been consulted in the process of NVR writing and in the entire SDG implementation so far. The NVR documents this effort by listing sub-national states' actions and also some CSO interventions, albeit in a rather selective manner. It is apparent that the NVR does not map the interventions of the international community and development partners. Most development partners do have SDG-related indicators and are mandated to relate their interventions to the SDG goals. The mapping and overview of their activities, and their subsequent coordination, would benefit Nigeria in terms of greater ownership and accumulation of the technical and financial resources for implementation under the OSSAP-SDGs or responsible line ministries. Greater inclusion of international development partners and national and international CSOs seems to be critical, especially as the NVR recognizes that "*Nigeria will need all the support in mobilizing adequate financial and other resources; including from domestic sources and through the traditional (North – South, South – South and triangular cooperation) partnerships*" (OSSAP-SDG, 2017, p.XIV).

To underscore the challenging budgetary conditions, the NVR aims at bridging the scarcity of resources for SDG implementation at the national and sub-national levels through cooperation with the private sector. Private sector has been consulted so far and has been invited to contribute to the NVR. However, the conceptual involvement in the SDG implementation and in this review on the side of private business entities cannot be fully ascertained. The report is somehow vague in stating that private sector "[is] already well aligned with the SDGs" (OSSAP-SDG, 2017, p.19). Some tangible activities by the private sector are documented, especially under goals related to health, education, agriculture and infrastructure development. Yet, the report conspicuously omits the inclusion and participation of key industries operating in Nigeria such as banking and extractive industries, whose support can be a real game changer in the implementation of SDGs. Indeed, given the size and importance of the extractive industries on the Nigerian economy and political sphere, their inclusion may be a crucial success factor for a number of goals related to poverty reduction, climate change, etc. Similarly, the cooperation of the banking industry is crucial for delivering on the goal 16 where stopping of illicit money flows, asset recovery, etc. depends on the cooperation with financial houses in Nigeria and beyond.

It is apparent that the lesson from MDGs has been learnt and the CSO sector has taken on board in much more conceptual way. The Government of Nigeria and specifically the OSSAP-SDGs need to be given credit for this. CSOs have contributed to the NVR process by facilitating key sessions in the preparatory workshops. Some CSOs also act as rapporteurs in various technical areas. It is,

however, recognized that some CSOs involved in the SDG process needed better evidence and understanding of the process so that they can act as a constructive partner, especially in their monitoring functionality. Furthermore, the sheer number of the national and international CSOs and NGOs makes practical aspects of coordination difficult.

The NVR is not very clear on the involvement of the sub-national governments and the public in the SDG process so far. The 36 sub-national states have been consulted in the NVR process and have focal points appointed to follow the SDGs. The report states that “many of the current State Development Plans (SDPs), including those of Benue, Taraba, Yobe, Kaduna, Ebonyi, Kano, Jigawa, Anambra and Delta States- to mention just but a few, are aligned to the SDGs” (OSSAP-SDG, 2017, p.xiii). Yet, specifics are missing despite occasional activities at the state level throughout the report. Moreover, given the powers and large discretion of the state governors, their conceptual involvement in the SDG process is unclear as is their political commitment. Generally, weak implementation capacity of federal policies by the states adds to the concern that the critical 'buy-in' of the states in the SDG process may have been largely overlooked so far. The NVR therefore needs to provide a more detailed account of the delivery of the states on the SDG targets.

The same point applies to the involvement of the public at large. The OSSAP has entered into partnership with the National Youth Service Corps (NYSC) to promote SDGs amongst the youth. Other publicity campaigns have been conducted throughout the country. It is recognized that there is much greater awareness about the SDGs among the public compared to the MDG process before 2015. The media report on SDGs more regularly and OSSAP has also attempted to involve the general public into the governmental progress in the area. Furthermore, the international community, led by the UN agencies, has contributed to the greater awareness about the SDGs amongst the public. Yet, it is unclear how much awareness about SDGs an average citizen has. A perception survey across a representative public sample including the poor, women and disabled may be beneficial for tailoring the SDG process towards the inclusion of the most vulnerable groups. Citizen awareness is also important precondition to demand accountability on the delivery under the specific SDG targets.

It is apparent that the OSSAP, as the institutional owner of this report, is aware of many of the challenges outlined above. In the section on *Next Steps on the Implementation of the SDGs*, many encouraging activities are mentioned addressing some of the weak points identified in this chapter. The costing of the achievement of the SDG targets is planned. Deepening of the effective implementation of the SDG policy framework at the national and, crucially, sub-national level, features also prominently on the list. Extremely important is a plan of actions for SDGs in the form of a results-framework, which would enable performance tracking in the SDG implementation across the portfolio. The insufficiency of the data coverage under the SDGs is implicitly recognised by the urge to develop National Information Management System dedicated to SDGs. Strengthening international partnerships and the interaction with the public are also commendable points to address the existing weaknesses of the SDG process.

The NVR report does mention three clusters of challenges observed so far but the risk assessment comes at the aggregated level of wider socio-economic environment. Reliance on the oil and gas sector, infrastructure and technological deficits and the prolonged economic recession and humanitarian crisis as listed in the section 8.2 Summary and Challenges (p. 85) are certainly valid concerns. The SDG process itself lacks detailed and critical assessment. The same can be said also about the review of the specific SDG goals.

To take the SDG 16 review (p.49) as an example, the NVR fails to describe the security challenges in

the North East and in the Niger Delta region, raising criminal activity across the country. The listing of policy and programmes towards achieving SDG 16 fails to provide an understanding of what has been and what has been not achieved in reality. The report states non-specifically that “[the] Nigerian government under President Buhari has been yielding positive results and public officers are becoming more accountable” (p.49) without providing any substantial evidence or data. In our view, much more detailed assessment is required to understand the real progress towards this Goal. The scanty assessment under this goal is somewhat surprising given the fact that the promotion of peace, inclusion and anti-corruption encompass the three most important campaign promises of the Buhari administration. This shadow report will further show that there has been a sound policy response with new legislative frameworks developed and new policies put in place, which have yielded very concrete results. These advances could have been given much more attention and policy analysis in the NVR report.

It is imperative to consolidate on the NVR by designing a concrete plan of actions to put these processes in motion. Setting of key milestones and allocation of key governmental institutions or other stakeholders would enable OSSAP steering towards concrete results. Indeed, a more detailed analysis of the weaknesses faced so far and an actionable plan to address identified challenges may be the weakest point in the NVR. The report is zoomed at processes and frameworks at the macro- and policy-level. Yet, a critical assessment of the daunting challenges that the government faces at all fronts may be necessary precondition for successful policy actions. For instance, the security challenges across the country affect negatively almost all SDG indicators. Persisting grand corruption and the sky-rocketing cost of governance in Nigeria, including the criminal or at least unethical engagement of Politically Exposed Persons (PEPs) are also serious challenges which hampered the MDG process and manifested a very real danger signal for successful SDG implementation.

In conclusion, the very existence of the NVR report is already an achievement and the sign of taking the SDG process seriously in the Nigerian policy space is a welcome development. The placement of the coordination of the Special Adviser into the Presidents' Office and concrete coordination policy and activities organized since 2015 are a sign of taking an ownership and political commitment. These are very important foundations well reflected in the NVR. Future reports and assessments would benefit from greater analytical approach and deeper critical assessment of the SDG process as a whole and under the particular SDG targets. Future government-led assessments must clearly identify the most pressing challenges in the SDG process at the policy level and at the level of the implementation of the specific SDG goals. It is important to establish concrete milestones for suggested next steps to address SDG-related challenges. Above all, the development of a concrete action plan and national adjustment of the SDG sub-indicators, including their alignment to specific institutions under relevant goals, must be made a priority. The pressure to generate the ownership and political will at the federal and state levels must be also intensified, including the generation of disaggregated and evidence-based data sets for the sub-indicators.

Key Recommendations for the National Voluntary Review

1. Develop a costed Implementation Action Plan for all SDGs at the national and sub-national levels;
2. Develop strategy to harmonise State Development Plans with the SDG implementation;
3. Strengthen existing National Information Management System for data collection in collaboration with the National Bureau of Statistics and state SDG counterparts covering all sub-indicators, preferably disaggregated to the national and sub-national levels whenever appropriate;
4. Apply evidence-based approach to realistic values for SDG targets.

CISLAC's Findings on National Progress towards SDG 16.4, 16.5 and 16.10

Recent Developments

The long period of bad governance in Nigeria has bred high institutional and political corruption at all levels of governance. It is estimated that Nigeria lost around 400 billion USD since gaining independence in 1960, most of it coming from vast gas and oil deposits (PWC, 2016). The impunity arising from low political commitment, weak institutional and legal frameworks and poor, slow and suspected corrupt judicial processes and personnel encourage a social norm and culture of pervasive corruption. The culture of corruption has become tolerated and even admired as the negative effect on the reward system of the Nigerian society takes hold. Beneficiaries of corruption live in opulence in the midst of widespread poverty, enjoying recognition, public offices and patronage. It is worrying that Politically Exposed Persons³ (PEPs) project their influence through nepotism to place cronies in places of advantages at the expense of merit and sometimes equal opportunity.

The Buhari administration has brought a great vigour in the anti-corruption fight, which is delivering on many elements covered by the goal 16. The government has demonstrated national and international efforts at the strengthening of the institutions charged with anti-corruption. Tangible outputs include the launch of the Treasury Single Account (TSA) in 2015 which eliminated many leakages for corruption under the line ministries and departments. The continuation and expansion of the Integrated Payroll and Personnel Information System (IPPIS) has eliminated thousands of ghost workers from the federal and state payrolls and the Government Integrated Financial Management Information System (GIFMIS) made fraud and embezzlement harder in centralising and reconciling cash flows across the public sector. On the international level, joining the Open Governance Partnership (OGP) initiative has brought many important cooperation agreements in relation to beneficiary ownership, asset recovery and stopping of illicit money flows to name only a few examples

New policies and initiatives came to light after the election of President Buhari in 2015. Under the established Presidential Anti-Corruption Advisory Committee (PACAC), much needed Open Contracting Data Standard (OCDS) has been introduced to enable disclosure of data and documents at all stages of contracting processes. Know Your Customer policy has improved beneficial ownership standards as extra personal identity verification measures have been introduced by commercial banks. Single Transaction Account (STA) has centralized governmental expenditures from the ministries, agencies and departments with the aim to reduce gigantic leaks from separate state budgets. Furthermore, recovery of stolen assets has been a long standing priority gaining tractions with the signing of the Letter of Intent in March 2016 on the Restitution of Illegally-Acquired Assets forfeited in Switzerland. Under the agreement, Switzerland will repatriate 321 million USD illicitly acquired by the Gen. Sani Abacha family. This is

3. UK Joint Money Laundering Steering Committee Group 2009 defines PEPs as "An individual who is or has at any time in the preceding year, has been entrusted with prominent public functions, and an immediate family member, or a known or close associate of such persons. This definition only applies to those holding such a position in a state outside the UK or in a community institution or an international body."

in addition to 723 million USD (about N142.43 billion) that the Swiss Government had already repatriated. On the same note, the probing of the Office of the National Security Adviser (ONSA) from 2011 to 2015 announced the recovery of over N7 billion, 21.5 million USD from indicted companies and individuals connected to the Colonel Sambo Dasuki, who allegedly misappropriated two billion USD (about N630 billion) from the budget meant to fight Boko Haram (Nigerian Bulletin, 2017).

At the institutional level, the need to coordinate across the networks of anti-corruption agencies has culminated in the adoption of the new harmonized anti-corruption strategy in May, 2017. This signals the realization that the fight against corruption has not been very effective, partly due to the poor coordination across the various tiers of government. However, for the regime that was elected into office with a cardinal promise of addressing corruption, the need to show visible and tangible outputs in the anti-corruption campaign has largely been reduced to a handful of high-profile arrests and trials of individuals. Recent 'discovery' of huge sums of cash in some major cities without owners has made international and national news but the introduction of new policies and legislations aimed at systemic change has stalled the process in many instances. For example, the proposed amendment to the Anti-Money Laundering Law has been stalled as the Office of the Attorney-General of the Federation and Minister of Justice and the Economic and Financial Crimes Commission (EFCC) are not in agreement on procedural and competency matters. The permanent appointment of the chairperson for the EFCC has lingered for over two years due to issues related to absence of concurrence between agencies under the Presidency and perceived conflict of interest between the Executive and the National Assembly.

The challenge to the credibility of the judiciary, including many pending corruption charges against senior judges, puts the integrity of the courts and impacts negatively on the anti-corruption image of the government. More broadly, the anti-corruption fight is increasingly perceived as highly politicized and not able to tackle the grand corruption and the kleptocratic nature of profoundly corrupt political system. Many high profile cases, for example, an anti-corruption trial of the President of the Senate and other PEPs facing anti-corruption charges have been dismissed for a lack of evidence or procedural errors. This approach may not be sustainable in the long run as the patience of the public tends to abate by the day amid deep recession and growing insecurity.

In 2015, only 22% of citizens believed that the government performs "well" at fighting corruption, according to Transparency International's 2015 Global Corruption Barometer. If there is no visible strengthening of institutions and deeper involvement of citizens in a manner that ensures behavioural change and reconstruction of the social norm, as well as address impunity by ensuring the imposition of timely and commensurate sanctions, there could be a roll-back of the mileage covered so far in the near future with potentially disastrous consequences. Increasing crime rates, calls for secession in many parts of Nigeria, growing emigration and general feeling of lawlessness and insecurity are only some worrying signs of growing disenchantment and frustration with governance in Nigeria. In this context, improved governance with focus on security and stronger institutions, especially those fighting corruption, is believed to be critical to the very survival of the nation. Monitoring of the progress under the SDG 16 comes in this respect at the forefront of the prominence in the SDG process.

Target 16.4: By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime

Anti-money Laundering

According to the Global Financial Integrity (GFI), the magnitude of estimated illicit inflows in 2014, the latest available year, ranges from 1.4 trillion USD to 2.5 trillion USD [in developing countries]. In Nigeria, GFI estimates the illicit financial outflows at around 27 billion USD in 2013 alone (Global Financial Integrity, 2017). Nigeria displaced South Africa and became the dubious continental leader in the illicit financial outflows in 2013.

Heat Map, Cumulative Illicit Financial Flows from Developing Countries, 2003-2012
(in billions of nominal U.S. dollars)

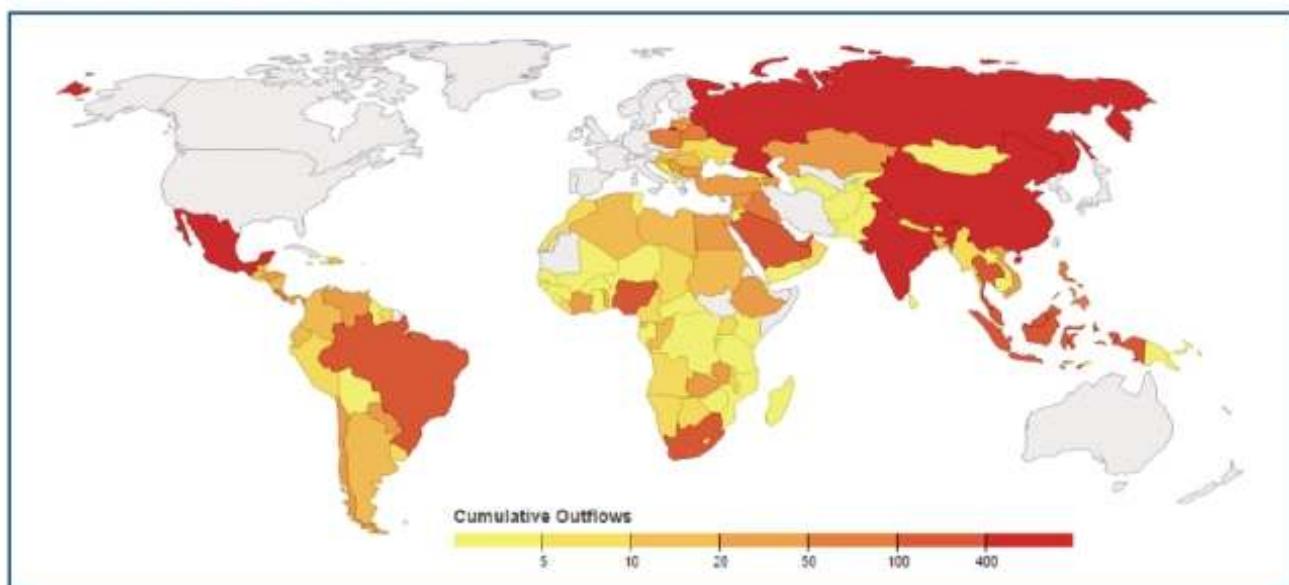


Figure 1: Yvonne T. Chua (2014)

However, the Nigerian Minister of Finance, Mrs. Kemi Adeosun, claims that Nigeria may have lost as much as an estimated 50 billion USD annually to illicit financial flows through money laundering, tax evasion and corruption; almost doubling the figures from the GFI. The illicit money financial outflows make up around 15% of the total trade in Nigeria in the period between 2005-2014. (Ministry of Finance 2017).

Estimated Ranges for Illicit Financial Flows, 2005-2014 (percent of total country trade)

Illicit Financial Flows						Total Trade	
Outflows		Inflows				Inflows	(millions of US \$)
Min 14%	Max 15%	4%	min 7%	Min 1%	Max 2%	4%	7%
							1,213,949

Figure 2: Estimated Ranges for Illicit Financial Flows, 2005-2014, source: Ministry of Finance, Nigeria (2017)

In the context of enormous illicit money outflows and the impetus to stop loopholes that enable financing terrorism, President Muhammadu Buhari's administration has made great strides to upgrade the legal framework to international standards. Anti-money laundering has received traction with two Bills that President Muhammadu Buhari forwarded to the National Assembly in April 2017. The two Bills are, the Money Laundering Prevention and Prohibition Bill 2016 and the Mutual Legal Assistance in Criminal Matters Bill 2016. The latter seeks to obtain more international legal assistance in criminal investigations, recovery and forfeiture in respect of money laundering cases; and *"the restraining of dealings in property or the freezing of assets that may be recovered, forfeited or confiscated"* as explained by the President's Office when transferring the Bill to the legislators (Vanguard, 2016). The new Money Laundering Bill expands the scope of crimes just as it provides some legal protection for the employees of institutions and professional bodies that may uncover such illegalities. Unfortunately, the Bill does not expressly prohibit retaliation by employers against whistleblowers in the event that they are discharged or discriminated against by their employers.

The action, which comes amid the renewed vigour in the anti-graft war, is gratifying. The Senate passed the Bill on the Mutual Assistance in Criminal Matters on the 31st of May, 2017, thereby paving the way for better cooperation between Nigeria and foreign jurisdictions and law enforcers to enhance the fight against corruption and other cross border crimes.

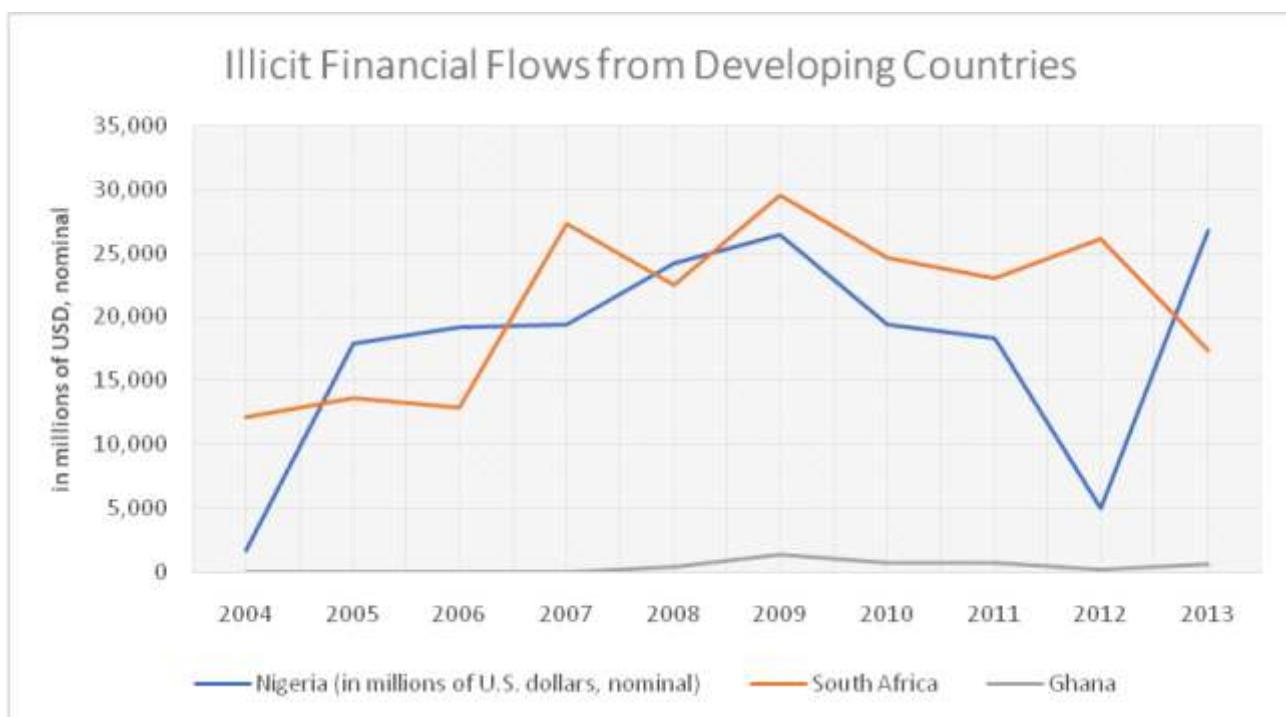


Figure 3: Illicit Financial Flows, source: Global Financial Integrity (2015)

Nigeria has conducted partial risk assessment related to money laundering of legal persons as required by the Financial Action Task Force (FATF) on money laundering. The progress has been acknowledged in the 7th Follow Up Report compiled by the Inter-Governmental Action Group Against Money Laundering in West Africa. The report states that Nigeria has made progress between 2014 and 2015 concerning timely reporting of suspicious transactions related to

terrorism, it has conducted an update on the Nigerian list of terrorist organisations. Furthermore, Nigeria conducted onsite examinations on 55 capital market operators (Capital Market Operators with multiple functions (28), broker dealers with issues on co-mingling of funds (7), trustees (7), registrars (4), rating agencies (5), investment advisers (3), and issuing house (1)). The examinations were aimed at assessing compliance with the Anti Money Laundering (AML)/Combating Financial Terrorism (CFT) provisions. SEC carried out enforcement action for Non-remittance of quarterly returns on 33 broker dealers, 6 issuing houses, and 1 registrar, and enforcement action for Negative shareholders' funds on 2 broker dealers, and one trustee firm to deter money laundering and illicit money flows. However, a comprehensive assessment, which would encompass all designated, non-financial businesses and professions (DNFBPs) such as casinos, real estate agents, jewellers, lawyers, notaries, other legal professionals, accountants, and trust and company service providers, is still missing (GIABA, 2016).

It has been further acknowledged that efforts to have a clear legal framework to specifically put to rest all grey areas concerning the operational autonomy of the Nigerian Financial Intelligence Unit (NFIU) are ongoing. The Bill to establish the NFIC has been passed by the National Assembly and currently at the harmonisation stage. This Bill, when signed into law, is expected to enhance the operational autonomy and independence of the NFIU.

Nigeria is no longer on the FATF List of Countries that have been identified as having strategic anti-money laundering deficiencies. In the Country Report 2014, IMF states that measures such as Central Bank of Nigeria (CBN) circulars relating to different aspects of AML/CFT through the NFIU issues a strategic analysis on terrorism financing and provides clear guidance on indicators of anti-terrorism financing that can be monitored. Furthermore, in the observed period before 2015 training and capacity building was provided to authorities in the financial sector. These factors have led to Nigeria being removed from the FATF list of jurisdictions with significant deficiencies in their AML/CFT regimes (IMF, 2014).

FATF (2015) further stated that "*Nigerian financial institutions appear conscientious in submitting CTRs to the relevant authorities.*" (p.56) However, it is observed that the high volume of reporting and cash-based economy make it difficult to control financial flows for the relevant authorities and private operators. A decisive step to reduce the oil revenue management and resulting money laundering crimes has been made in 2016 with the implementation of several measures, especially those requiring all government entities, including the Nigerian National Petroleum Corporation, to remit nearly all revenues to the Treasury Single Account.

Nigeria has also signed the Protocol and amended Convention on Automatic Exchange of Financial Account Information on 29th of May 2013. It has come into effect on the 1st of September, 2015⁴ (OECD, 2016). Further, the jurisdiction's performance on the exchange of information for tax purposes on request assessed by the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes is largely compliant.

4. Automatic exchange of information can provide timely information on non-compliance where tax has been evaded either on an investment return or the underlying capital sum. It can help detect cases of non-compliance even where tax administrations have had no previous indications of non-compliance. Automatic exchange may help educate taxpayers in their reporting obligations, increase tax revenues and thus lead to fairness – ensuring that all taxpayers pay their fair share of tax in the right place at the right time.(OECD, 2016).

In terms of institutions, the EFCC appears to be the primary authority to enforce and investigate money laundering activities. Since 2015, it has investigated high-profile money laundering cases. However, the conviction rates continue to be low in part due to gaps in the judicial system that cause cases to languish in the system for long periods of time without resolution. There are also capacity-related concerns about the EFCC and Department of State Services (DSS) to investigate money laundering. Coordination of institutions in complex cases and their cooperation with international partners has long been identified as a challenge. A new anti-corruption strategy launched in April 2017 is designed to address the coordination at the policy level as reported earlier (Presidential Advisory Committee Against Corruption, 2017).

Amongst some of the more prominent cases, the EFCC has charged the former Attorney General and Minister of Justice, Mohammed Adeoke (2010-2015) and former Minister of Petroleum Resources, Dan Etete (1995-1998) with money laundering. The latter case centred on the 2011 sale of the Nigerian Oil License (OPL) 245, after years of investigation by NGOs Global Witness (Global Witness 2015). More than 40 Boko Haram members have been prosecuted and convicted for terrorism-related crimes, under the Terrorism Prevention Act, 2011 amended in 2013. Timely Reporting of Suspicious Transactions (STRs) related to financing terrorism has been crucial. Domestic and international cooperation in matters of terrorism financing has been also expanded.

Despite the progress outlined above, massive cash smuggling is still a challenge to contain. A Joint Task Force comprising, among others, the Nigeria Customs Service (NCS) and the EFCC has been set up to tackle the issue. The NFIU also receives from the NCS information on declarations of cash transportation of a value over USD 10,000 or equivalent, but is not always informed when custom officers take provisional measures.

The progress in passing the anti-money laundering legislation and strengthening of relevant institutions have culminated in significant progress made by Nigeria in the implementation of global AML/CFT standards. This has led to the de-listing of Nigeria from FATF's high-risk and non-cooperative jurisdictions list. However, low rates of successful convictions under anti-money laundering legislation as well as prevalent high volumes of illicit financial flows challenge the impact of the improvements in the legislative and institutional responses. In other words, legislative improvements have not yet translated into significant reduction of illicit money outflows.

Key Recommendations on Anti-money Laundering

1. *The Government should expeditiously approve two anticorruption bills namely, the Money Laundering Prevention and Prohibition Bill 2016 and the Mutual Legal Assistance in Criminal Matters 2016 by the Legislature and sign them into law;*
2. *The new Money Laundering Bill should expressly prohibit retaliation by employers against whistleblowers in the event that they are discharged or discriminated against by their employers;*
3. *Intensify cooperation among the financial institutions and watchdogs in Nigeria and internationally, especially in regards to money laundering crimes including theft, corruption and tax evasion in the oil industry and other revenue generating industries;*

4. *Strengthen Anti Money Laundering/Combating Financial Terrorism supervision of banks focused on the risks of laundering of the proceeds of corruption and in particular oil theft;*
5. *Enhance transparency of assets owned by senior officials and politically exposed persons as required by the Code of Conduct Act; and*
6. *Sign the OECD Competent Authority Multinational Agreement on automatic exchange of financial account information as required by Financial Action Task Force.*

Beneficial Ownership Transparency

Beneficial ownership⁵ has been an intrinsic part of the fight against corruption of the President Buhari's administration. As stated during the London Anti-Corruption Summit held on 12th May 2016, one of the key commitments has been to strengthen the legal framework and enforcement around beneficial ownership, in particular through the establishing of a public central register of company beneficial ownership information (Anti-corruption Summit London 2016, 2016).

It is evident that the Government of Nigeria, at least at the level of the Presidency, embraces fully the need for a strong beneficial ownership policy. The governmental sources acknowledge that Politically Exposed Persons (PEPs) private businessmen and military leaders use existing legislative loopholes to siphon huge financial resources out of the country through 'shell companies' (Ministry of Justice, 2017).

To illustrate the extent of the damage caused to the Nigerian economy due to unclear ownership of companies, illicit money outflow and lack of business transparency, a Chatham House Report documents that Nigerian crude oil is being stolen on an industrial scale.

Nigeria lost at least 100,000 barrels of oil per day, around 5% of total output in 2015. Proceeds are laundered through world financial centres and used to buy assets in and outside Nigeria, polluting markets and financial institutions overseas, and creating reputational, political and legal hazards (Katsouris, 2013). Oil theft alone may result in as much as 8 billion USD (about N2.5 trillion) a year, most of it laundered in the financial capitals around the world, including financial hubs of New York, London, Geneva and Singapore. Ironically, according to the London Stock Exchange Group (LSEG) report from the 31st March of 2017, 58 Nigerian companies listed at LSEG are among the fastest growing private businesses in Africa (Premium Times, 2017), while Nigeria suffers from the lowest tax base in West Africa.

The Government has shown its determination to implement the FATF Money Laundering Recommendations. The strong political backing of Beneficial Ownership initiative has resulted in a number of legislative and executive actions resting on the commitments anchored in the Nigeria's OGP National Action Plan (Open Governance Partnership Nigeria, 2017). Nigeria adopted some aspects of the FATF Recommendations in its domestic legislation through the

5. Transparency International (TI), describes a beneficial owner as the "natural person" who ultimately owns, controls or benefits from a company or trust fund and the income it generates. The term is used to contrast with the legal or Nominee Company and trustees, all of whom might be registered as the legal owners of an asset without actually possessing the right to enjoy its benefits.

Money Laundering Prohibition Act No. 11, 2011 that defined “beneficial owner” as:

- o The natural person who ultimately owns or controls a customer;
- o The natural person on whose behalf a transaction is being conducted; and
- o A person who exercises ultimate effective control over a legal person or arrangement.

In order to overcome this challenge and to fully comply with the FATF Recommendation, the Government of Nigeria has transmitted a draft Money Laundering Prohibition Act, 2016. The Companies and Allied Matters Act (CAMA) provides for conditions that will enable the update of the beneficial ownership information on any public quoted entity. However, this provision does not substantially include the private quoted companies (CAMA section 94 & 95). This Act has been undergoing review to include private quoted companies to mandatorily disclose their beneficial owners.

The laws in Nigeria do require financial institutions to have strong procedures in place to enable government and the regulatory institutions identify the business relations between companies and clients. The Know Your Customer (KYC) policy has been in force according to the Central Bank of Nigeria regulations on the financial institutions which mandates them to monitor transactions with clients and also report to anti-graft agencies when any transaction exceeds a particular limit. Also presently, the enforcement of the use of the Bank Verification Number (BVN) has further strengthened disclosure of parties in any financial transaction (Central Bank of Nigeria, 2011).

The law also specifies the competent authorities and their access to beneficial ownership disclosure. The Act that set up the Economic Financial Crimes Commission provides the full right access information on beneficial owners and also to interfere in transactions that are considered not credible. Other authorised institutions include, the Nigerian Financial Intelligence Unit (NFIU), Federal Inland Revenue Service (FIRS) and state security agencies, which are empowered to trace all financial transactions from all financial institutions. Moreover, there is also a bill currently before the National Assembly which seeks to establish the National Financial Intelligence Unit to be an independent Commission out of EFCC, a step likely to strengthen institutional capacity to introduce needed reforms.

Nigeria's Corporate Affairs Commission (CAC) has developed a platform for Registry for companies, charities and trusts. Extractive industry standards on the collation of beneficial ownership information through the Nigeria Extractive Industry Transparency Initiative (NEITI) database have been already launched. However, the main registry is still work in progress and key components are yet at the proposal stage. The content is not made open to public despite calls for memoranda from the civil society to provide input on the contents. It remains to be seen to what extent the contents will really be accessible as the roadmap on beneficial ownership disclosure does state that some provisions will remain 'discreet' and restricted to authorities (The Sun, 2017).

Notwithstanding the legislative advances of CAMA and other bills in line with FATF Recommendations, the concern of many stakeholders and analysts is the weak enforcement. Generally, the judiciary is weak, corrupt and prone to political manipulation. This supports the view that the key challenge of beneficial ownership registers is actually that of implementation. Additionally, the relatively weak sanctions regime with laughably insignificant penalties of

between N200- N500 (0.5-1 USD) per day of default provide a great deal for concerns that legal and policy provisions will be inadequately applied in practice.

It is hoped that the CAMA Bill under review will expand the provisions of Sections 92 and 93 to reflect the context of which this Bill shall be applied. This would be in line with the consultations held between the Government and CSOs on this topic (Ministry of Justice, 2017).

The transparency of companies' ownership in Nigeria is still shrouded in secrecy. Many of the names contained in the register of companies in Nigeria are fake or not real. It is a legal requirement to submit the names and details of directors of a company before it can be registered. Yet, in practice nobody checks the accuracy of the submission in the company registers (Igwe, 2017).

The phenomenal leak of the 'Panama Papers' has, unsurprisingly, revealed a high number of Nigerian companies and individuals implicated in off-shore transactions. Amongst them are some very prominent figures in Nigerian politics. For instance, Bukola Saraki, the President of the Nigerian Senate, is one of the most powerful politicians to be found on the list and has been currently acquitted of charges of fraud, including false declaration of assets. He was accused of failing to declare at least four offshore assets listed under his wife, Toyin's, name while he was a governor in 2004. The undeclared assets linked to him include, a property in London as well as two companies registered in the British Virgin Islands and a third in the Seychelles (Olufemi, 2016).

The long list of past and serving politicians accused of hiding their ownership of private companies and assets include, a former Governor of Delta State, Mr. James Ibori; a former Minister of Defence, Lt.-Gen. Theophilus Danjuma (rtd.); a former President of the Senate, Sen. David Mark; Africa's richest man, Mr. Aliko Dangote, and his cousin, Sayu Dantata; as well as the General Overseer of The Synagogue Church of All Nations, Prophet Temitope Joshua, and his wife, Evelyn (The Punch, 2016).

Such high profile cases underline the necessity of much greater transparency of ownership in Nigeria to disclose who genuine owners of Nigerian companies are.

In 2011, Shell and Eni paid US\$1.1bn for one of West Africa's largest oil fields, situated off the coast of Nigeria. The payment was equivalent to 80% of Nigeria's proposed 2015 health budget, but the money did not benefit the country's citizens. Instead it went to a company called Malabu Oil and Gas, which was secretly owned by the former oil minister who had granted his company rights to the oil field in 1998. Like many others, this deal for a massive state asset was conducted behind closed doors, without the knowledge of the public or investors (Global Witness, 2015).

Furthermore, greater transparency is critically needed in Nigeria's vast oil and gas industry. A report published by the National Resource Governance Institute, a global governance watchdog in New York, revealed that Nigeria's state-run oil firm has increasingly withheld large sums of money from government coffers. The Nigerian National Petroleum Corporation has failed to remit about 12.3 billion USD (N3,900 trillion) from the sale of 110 million barrels of oil over 10 years. Contracts between multinational extractive companies and the government are still rarely made

public in full details. Revenues do not flow into the state budget and are squeezed by corrupt elites, including politically exposed persons (Natural Resource Governance Institute, 2015).

The Nigerian Government must be commended for its consistent efforts being made in recent times after Nigeria signed on to the Open Government Partnership to institutionalize open data and open government system. However, it is to be noted that the Government of Nigeria faces a number of challenges in its move to implement the Beneficial Ownership policy. These challenges include, a lack of inter-agency cooperation, a lack of intelligence-sharing platforms, a weak legal system, a weak capacity and lack of collaboration between the public and private sectors in the exchange of information. It is further a source of concern that the work on the establishment on the Registry of companies is painstakingly slow and the progress on the work has been unclear at present.

Key Recommendations to Government

1. *Urgently establish companies' registry within Nigeria's Corporate Affairs Commission and make it public;*
2. *Strengthen the enforcement of The Companies and Allied Matters Act (CAMA) and review sanctions for non-compliance;*
3. *Name and shame Politically Exposed Persons and their relatives behind private companies' ownership including, revealing of their assets in line with the Code of Conduct Law; and*
4. *Improve data availability on freely searchable public and private companies' ownership. Disclose fully company's ownership structures, licensing, names of directors and management, public accounts and shareholder structures.*

Recovery of Stolen Assets

The adoption of the United Nations Convention against Corruption (UNCAC) in 2005 for the first time enshrined the recovery and return of stolen assets as a fundamental principle of international public law (UNODC, 2015). Recovery of stolen assets has been one of the prime promises of the Buhari administration since elections in 2015. President Muhammadu Buhari himself repeated the

General Sani Abacha is estimated to have looted from \$3 billion to \$5 billion over the five years of his rule. Abacha is alleged to have used four methods for plundering public assets: outright theft from the public treasury through the central bank; inflation of the value of public contracts; extortion of bribes from contractors; and fraudulent transactions. Only his death paved the way to the opening of the investigation and recovery of stolen assets. Here is the chronology of events which led to 505mil. USD recovered in 2006:

- . In 1998 a Special Police Investigation was launched to investigate Abacha's theft.
- . On May 26, 1999, General Abubakar issued Decree No. 53, which facilitated the domestic recovery of \$800 million in cash and assets from the Abacha family and associates.

- President Obasanjo, who assumed office in May 1999, redoubled the effort to find more of the stolen assets. In September 1999, the Nigerian government engaged a Swiss legal firm, Monfrini and Partners, to assist with tracing and recovering of monies held abroad.
- Swiss authorities accepted a request for Mutual Legal Assistance on December 1999, leading to the issuance of a general freezing order.
- Before the funds could be repatriated, however, Swiss law required Nigeria to present the Swiss authorities with a final forfeiture judgment reached in the Nigerian courts. This proved legally and politically daunting. In a landmark ruling rendered in 2004, Monfrini and Partners got around this hurdle by arguing successfully that, since there was adequate proof of the criminal origin of the Abacha funds, Swiss authorities could waive the final forfeiture requirement.
- It took Nigeria five years to obtain a repatriation decision from the Swiss authorities due to numerous appeals brought by the Abachas, who employed large numbers of lawyers to block or slow down the case.
- After a series of negotiations, which led to the selection of the World Bank as a bona fide third party for the monitoring of recovered assets, repatriation finally took place in September and November 2005 and early 2006, for a total of \$505.5 million.
- With a grant from the Swiss government, the World Bank mobilized Nigerian civil society organizations to participate in the review and analysis of the use of the looted funds. The review found that the funds had generally been used to increase budget spending in support of the MDG areas, as promised.

message to world leaders and also locally that Nigeria would continue to call for speedy and unconditional recovery of illicit assets stashed abroad.

Despite the well-known and internationally studied Sani Abacha case, success stories have been rare and the process very tedious. The Nigerian Vice President, Prof. Yemi Osinbajo, said on the OECD Global Anti-Corruption Forum, in Paris, France, recently that "*the tracing, freezing and Return of stolen assets has proved in many cases to be exceptionally difficult for most African countries*" (OECD, 2017).

In May 2016, the Government of Nigeria released the interim report on financial and asset recoveries between May 2015 and May 2016 documenting some successes.

In total, N78 billion, \$185 million, 3,5 million pounds and 11,250 Euro has been recovered in 2016 in cash alone, according to the sources within the Office of the President. This comes in addition to assets under forfeiture, non-cash recoveries and assets awaiting return from foreign jurisdictions. However, the recovered sums are a 'drop in the bucket' provided that estimated \$182 billion was illicitly taken out of Nigeria between 2000 and 2009 (Global Financial Integrity, 2017).

The Working Group on Asset Recovery has been set up to improve the coordination among the ministries and agencies. It is currently engaged in reviewing all laws and processes relating to Asset Recovery and making input into pending Bills in order to ensure efficiency of the project. Further there is a Presidential Committee on Asset Recovery which issues policy guidance for recovery and management of proceeds of crime. However, an independent, investigative unit

tasked with the sole responsibility to recover stolen assets has not been established. The responsibility is allocated to existing anti-corruption agencies such as EFCC, which are already stretched to the limits with their primary responsibilities.

The Government has been rightfully proactive in aligning international partners around the asset recovery agenda. A two-day international conference on promoting international cooperation to combat Illicit Financial Flows (IFFs) and enhancing asset recovery to foster sustainable development was organised by the Presidential Advisory Committee Against Corruption in June, 2017. The proceedings looked specifically at policy responses to combat illicit money flows under the SDG framework. The high-level political commitment of the current administration has been demonstrated by the opening speech of His Excellency, Professor Yemi Osinbajo as the Acting President of Nigeria. The conclusions urged enhanced inter-agency cooperation at national, regional and global levels to trace and recover illicit funds and assets and return of same to countries of origin. A call for the United Nations to establish an intergovernmental body on IFF and Asset Recovery was also made (PACAC, 2017).

CISLAC and other civil society organisations have been consistent in calling for the establishment of a Specialized Service Delivery Account domiciled with the Central Bank of Nigeria into which all the recovered funds would be deposited. Such a fund could be managed by an Ad-Hoc Multi-Stakeholder Management Committee made up of designated technocrats from the focal ministries and volunteers from relevant professional bodies, the media, civil society and the anti-corruption agencies. In terms of policy response, a dedicated cross-ministerial strategy for asset recovery is yet to be developed. An independent agency or at least a unit specialised on asset recovery may need to be established to fast-track the cooperation with international partners and across domestic law enforcers. The independence and high competency of an asset recovery team must be ensured through external oversight, by civil society organisations, for example, in the context of high involvement of PEPs in illicit money flows.

Key Recommendations to Government

1. *Intensify bilateral and multilateral agreements with the aim to prevent, detect and deter the international transfer of proceeds of crime and funds of illicit origin;*
2. *Establish a dedicated, independent unit, tasked with the sole responsibility to recover and return assets. The Unit should be tasked to identify, trace, seize, recover and return the proceeds of crime and funds of illicit origin including enhanced due diligence on financial flows from identified high risk jurisdictions;*
3. *Promote transparency and the involvement of Civil Society and citizen participation in the application and use of returned assets; and*
4. *Establish a Specialized Service Delivery Account under the Central Bank of Nigeria to place and manage recovered assets to prevent 're-lootng' of funds.*

Fight against Organized Crime

Nigeria faces daunting security challenges on a wide range of fronts. In the last Fragility State Index 2017 published by the Fund for Peace, it ranks the 13th most fragile country in the world (The Fund for Peace, 2017). The extent of criminal activities, including religiously motivated and highly organised crimes, is such that the authority of the state is seriously challenged in many parts of the country. Boko Haram in the North East attracts international media attention. Piracy and maritime insecurity in the Gulf of Guinea is somewhat overlooked yet very present. Wide spread criminal activities in the Niger Delta region threaten the oil and gas production, a major resource lifeline of the Nigerian economy. Religious and tribal tensions are high in the middle belt of the country and claim many lives every day.



Figure 4: Fragile State Index, Nigeria, 2017: source: The Fund for Peace

Nigeria stands at the centre of a number of transnational crimes. Human trafficking and drug trafficking has been constant challenge to the authorities in Nigeria and abroad. West Africa is conveniently situated for drug and illegal weapons' trade between South America and Europe. Porous borders and the free flow of arms into and out of Nigeria have contributed both to the increase in the number of violent conflicts in the country and also to their intensity. Nigeria accounts for about 70% of the illegal small arms in the West Africa sub-region. Human trafficking, including its worst forms such as child trafficking in Benin and Nigeria, is one dominant form of increasingly sophisticated regional trend in cross-border crime that extends through international networks through West and Central Africa and into several European cities (Adetula, 2015).

Many analysts note that the broken political system, corrupt law enforcers and social environment which encourage many criminal activities as socially acceptable puts Nigeria at the epicentre of highly internationalised and organised crime (Ellis, 2009). The established linkage between the worst forms of criminality at an industrial scale and the political elite is widely observed and documented both in Nigeria and internationally.

According to the US State Department, there are reports that drug trafficking and other serious crime is traced to high public officials including, the police and the army (US State Department, 2012). The vibrant Nigerian media and even international outlets such as Al Jazeera or BBC have reported or aired numerous reports showing that Political Exposed Persons, the Nigerian police and armed forces do not only assist criminal activities but sometimes run illegal activities including, drug and human trafficking and weapons smuggling (See e.g. Al Jazeera, 2013).

The problem is aggravated due to a considerable distrust amongst the public towards the police and the army. In a poll conducted by the African Center for Strategic Studies in 2016, 52% of respondents said 'Police is not our friend'. Police is constantly ranked amongst the most corrupt institutions in Nigeria. According to a survey by Transparency International, 72% of Nigerians perceive police as corrupt (Transparency International, 2015). This notion is widely echoed across the population as police is synonymous with corruption and lack of integrity. Furthermore, low levels of trust in the Nigerian police limit public cooperation critical to combating internal security threats from irregular forces such as insurgents, criminal gangs, and extremists as shown in many parts of the country, notably in the Boko Haram infested North-East. Allegations of corruption, heavy-handedness, and politicization have dogged the Nigeria Police Force for years. However, a lack of political will and the incursion of the organised crime into the law enforcement structures at the federal and national level in Nigeria has perpetuated a culture of impunity, weak oversight, and an unwillingness to absorb lessons learned from previous efforts at police reform.

The underlying reasons for a wide spread indiscipline and ineffectiveness within the Nigerian police and other law enforcers can be traced to the highest political leadership. According to a report conducted by the Inspector General of Police, the Nigerian policemen are the worst paid in the West African sub-region (Patrick Nanadozie Udefuna, 2014).

An ex-Inspector General of Police Mohammed Abubakar underscored the mafia-like conditions within the Nigerian police while stating that "*[p]olice duties have become commercialized. ... Our men are deployed to rich individuals and corporate entities such that we lack manpower to provide security for the common man. Our investigations departments cannot equitably handle matters unless those involved have money to part with. Complainants suddenly become suspects at different investigation levels following spurious petitions filed with the connivance of police officers. Our police stations, State [Criminal Investigations Divisions] and operations offices have become business centres and collection points for rendering returns from all kinds of squads and teams set up for the benefit of superior officers. Our special anti-robbery squads (SARS) have become killer teams engaging in deals for land speculators and debt collectors.*" (Patrick Nanadozie Udefuna, 2014, p.265).

The Nigerian police command is very centralised and detached from communities where the police is supposed to be most active. The oversight is ineffective and front-line units are under-resourced and without effective command. Their 'operational flexibility' borders in many parts of the vast country on anarchy. The ranks and files are further de-motivated due to favouritism and non-merit based system of promotions. It may be stated that above mentioned failures within the police emanate from the wider systemic failure of the whole governance system of which the

police and other armed forces are an intrinsic part.

These failures have prompted seeking for alternative solutions such as the emergence of voluntary policing groups, most prominently the Civilian Joint Task Force (CJTF) set up in Borno state in 2013 to counter the Boko Haram threat. The lessons learnt showed that these groups have greater legitimacy, motivation and much better interface with local governments and communities in their operational areas. However, on the downside are well documented human-rights abuses and heavy-handedness which plaque state enforcers as well. Extra judicial killings and unlawful detentions have been reported in many parts of Nigeria, notably in North-East (Strochlic, 2014).

The military faces its own challenges. According to the recently launched report by Transparency International, it is estimated that US \$15bn had been stolen from the defence sector and billions of Naira spent annually without clear rationale. While President Buhari has made significant moves to take on the secretive and powerful defence sector, the pace of reform is too slow and lacks any strategy (Transparency International Defence & Security, 2017). Wide spread lack of accountability and lack of oversight of armed forces in Nigeria are well documented and reported upon. Human Rights Watch charges in its 2015 report the army with wide-spread human rights abuses including, torture throughout the country (Human Rights Watch , 2015). Better allocation of resources and at the minimum a reduction of rampant corruption would address the underfunding of the military and its operational ineffectiveness.

According to the Government Defence Anti-Corruption Index 2015, Nigeria ranked among the countries with the highest risk potential for corruption in the defence and security sector. Nigeria's highest risk area is Financial, followed by Operations, Procurement, Personnel, and Political. Other relevant risk areas include, endemic corruption in recruiting processes, appointments and promotions, ineffective internal auditing of platforms, weapons and ammunition, and a lack of controls in the field. These all contribute to the penetration of organized criminal groups into the military, and its entanglement in arms trafficking syndicates and oil theft at the industrial scale.

The military and security expenditures in Nigeria are also significant. While noting that "*the opacity of defence and security budgets precludes an exact calculation*" (Transparency International Defence & Security, 2017, p.4), the economists from BudgIT noted that the 2017 Defence and Security budget stood at 3.7 billion USD(about N1.12trn), (not including security votes⁶) equating to 15.36% of government spending. Virtually the entire Ministry of Defence budget is classified as secret. There is a total absence of an external oversight including, from the Ministry of Finance and legislators. The Nigerian army had been in past accused of a sale-off in weapons and equipment, including to terrorist groups (VOA, 2016). The case of immediate past National Security Adviser, Col. Sambo Dasuki, who has allegedly embezzled a staggering \$2bn from the budget meant to fight Boko Haram is well known and only the outstanding in the sheer volume of theft.

6. Secretive funds known as 'security votes', appears mainly to be to supplement army and police allowances, the purchase of equipment and fuel for use by security personnel, as well as the sponsorship of vigilante groups. They are out of the ordinary defence budget and not part of any external oversight.

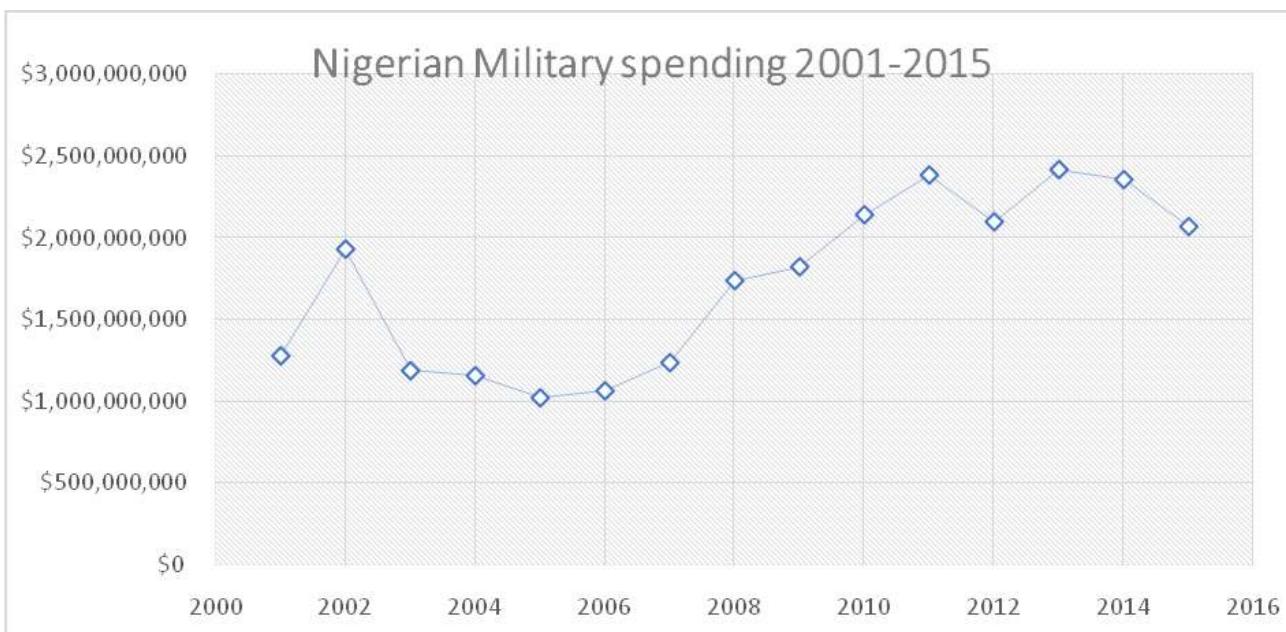


Figure 5: Nigerian Military Spending 2001-2015, source: Nigerian Ministry of Defence, 2017

In this context, fighting organised crime in Nigeria has been very difficult. The Government of Nigeria, painfully aware of the seriousness of the situation given the territorial losses and the rule of law breakdown in many parts of the country, has taken up some measures to curb organised crime. On the legislative level, several laws have been enacted recently including, the Anti-Terrorism Act, Anti-Piracy Act, Money Laundering and Terrorism Financing (Prohibition) Act. There is however widespread angst that the implementation of the laws is lax at best (Adetula, 2015).

The law enforcement measures have concentrated on the improvement of the customs and immigration services in relation to transnational organized crime, installation of detection equipment at airports and seaports, internal security and policing. A considerable assistance has been provided by the Western governments to the investigation capacity of Nigerian institutions such as the EFCC, the CBN and others to detect suspicious money transaction and reduce illicit money flow. This in connection to crucial policies in the banking sector such as the Know Your Customer policy and others have had a positive impact as they make it harder for criminal gangs to operate across the borders and ship large volumes of money out of Nigeria.

There is a growing realisation within the Nigerian Government and other observers that a complex socio-economic response to the danger of organised crime and terrorism has been long overdue. The promotion of positive values and norms may be a long-term and distant solution but it may be a critical deterrent as opposed to the repressive measures having been preferred so far. This preventive, soft approach has been recently suggested in some researches (Chatham House, 2017) and streamlined in a number of policies within the educational sector, corruption and other governmental policies (See e.g. Presidential Advisory Committee Against Corruption , 2017). If the fight against organised crime is about to yield tangible results, sustained pressure from CSOs, the public and the international community on the effectiveness and transparency within the ranks and files of the Nigerian police and the military is imperative. As a starter, the vast defence budget of security agencies must be made more transparent to the public and the civil oversight. The

inefficiency of the army and the police to clamp down on terrorism and organised crime exposes that secrecy leads to corruption and embezzlement, which in turn makes the Nigerian public less safe.

Key Recommendations to Government

- 1) *Review the 1999 Constitution as amended to allow civil oversight, which includes, legislative oversight and citizens' participation of the police and military budgets;*
- 2) *Abolish secretive relics within the military budgets such as 'security votes';*
- 3) *Enhance monitoring of the implementation of the Anti- Terrorism Act, the Anti-Piracy Act and the Money Laundering and Terrorism Financing Act;*
- 4) *Provide capacity building to internal auditors within the military, the police and the legislators to prevent and detect organised crime incursions, especially corruption practices; and*
- 5) *Extend The Public Procurement Act to provide a legal framework for defence procurement and asset disposals or alternative legal provisions should be drawn up to regulate defence procurement and asset disposals.*

Arms Trafficking

The 2030 Agenda connects development with peace, security, and arms control. Given the concealed nature of the illicit arms trade, limited information is available on illicit arms circulating worldwide. In its report to the UN Security Council, the UN Secretary General stated that “*poor weapons management is an area of alarming concern. Many states lack thorough planning, consistent attention, and adequate resources to ensure safe storage, handling, transportation and disposal*” (UN Security Council, 2015).

Nigeria fulfilled international obligations in the ratification of appropriate international conventions regulating the flow and proliferation of weaponry. Nigeria signed the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition in 2001 and ratified the treaty in 2006. Nigeria also signed and ratified the Arms Trade Treaty in 2013. The national legislation followed suit in the enactment of the Anti- Terrorism Act, Anti-Piracy Act, Money Laundering and Terrorism Financing Act. These legal provisions embed regulation of weapons proliferation.

Nigeria has been at the centre of West Africa as one of the major hubs of illicit weaponry trade. Arms trafficking has become a source of concern at the proportion of threatening territorial integrity in light of the insurgency in many parts of the country, especially in the North East Boko Haram-infested areas. The “*merchants of death*” continue to engage in arms trafficking/ trading through covert means largely aided and abetted by the porous nature of the Nigerian borders with Cameroon, Chad, and Niger.

However, the proliferation of small arms and light weapons is an enormous problem throughout the country and over the porous borders in the West African region. Despite the ratification of

international treaties on weapons proliferation, Nigeria's commitment to their implementation has remained rather elusive. Nigeria has not established domestic regulations in this regard. As stated above, the unbelievable territorial gains of insurgency in the North East at the peak of the Boko Haram insurgency and the ongoing militancy in the Niger Delta clearly attest to the fact that illegal transfer of firearms takes place at an industrial scale, sometimes with an active collusion of the Nigerian security apparatus (VOA, 2016). Therefore, domestic action has not followed international commitments.

There are no dedicated institutions on the subject of the proliferation of weapons in Nigeria or at least dedicated departments within existing law enforcers. The only weak structure provided by the ICPC is called the Anti-Corruption Transparency Units (ACTU) to which a desk is domiciled with the Ministry of Defence. Aside this, there is no other. This weak institutional response is inadequate owing to the cadre and low rank of officers charged with the responsibility of managing this desk. Superior officers within the military and police are never challenged on the subject of the management of weaponry and military equipment. The problem of illegal arms trafficking is aggravated by the weak enforcement of border control. Nigerian Immigration Service (NIS) and Nigeria Customs Service officials belong to the most corrupt institutions. Despite considerable investments in the border facilities and infrastructure in recent years, long and porous borders enable massive trafficking of arms.

Some reports suggest that Boko Haram insurgency is a direct product of the corruption and theft within Nigerian military circles. According to the investigative reports of US network NBC and local journalists Boko Haram weaponry is either directly from the Nigerian Army stockpiles or from the Central African black market. The former US Ambassador to Nigeria, John Campbell, noted that "*there are hints that sympathizers in the Nigerian army will deliberately leave doors of armouries unlocked for Boko Haram,*" (Newsrescue, 2014).

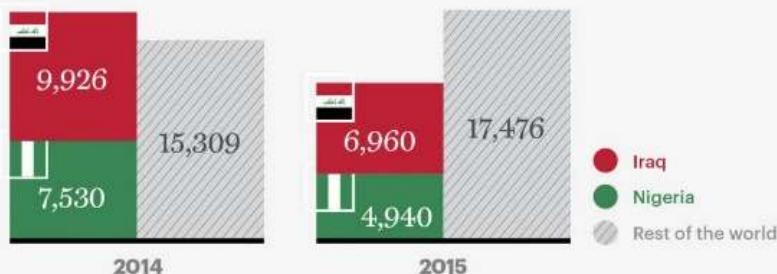
According to the Director of United Nations Regional Centre for Peace and Disarmament in Africa (UNREC), Nigeria receives staggering 70% of 500 million illicit weapons in Africa (Ige, 2016). Nigeria is awash with illicit weapons, which have found their way into unauthorised hands on non-state actors that are threatening the existence of the country, as well lives and properties of the people. It is reported that Nigeria is one of the countries that is experiencing some of the most devastating effects of the proliferation of small weaponry as a result of spill over effects of the recent crises in Libya, and Mali. This unregulated flood of weapons fuels unresolved internal conflicts in different parts of the country especially, in the North East, Niger Delta and Southern regions. UNREC further notes that the ineffective stockpile management as well as corruption are enablers of the crisis.

Highly profitable public assets from military and police stockpiles are sold, or blatantly stolen, to the highest bidder within the corrupt political and business elite. Military and police sale-offs are always shrouded in myth and mystery. Disposal of assets is often seen as a way of compensating high ranking officials. As a matter of fact, even those who eventually buy off the assets either end up not paying for them or the assets are largely taken at ridiculous prices. The transparency and control over the disposal of assets is extremely low. As a response, media and civil society are increasingly vocal in the recording and exposing of malpractices. The government feels pressured to react in light of increasing insecurity and more informed public.



Global deaths from terrorism **decreased by 10%** in 2015, but the overall impact of terrorism grew as more countries recorded the **highest number of deaths on record**.

DEATHS FROM TERRORISM (2014 VS 2015)



COUNTRIES WITH THE BIGGEST INCREASE IN DEATHS FROM TERRORISM (2014–2015)

COUNTRY	CHANGE IN DEATHS FROM 2014	% INCREASE	
Syria	+1063	0.6%	↑
Yemen	+866	1.3%	↑
Afghanistan	+805	0.2%	↑
Niger	+638	58%	↑
France	+160	160%	↑
Saudi Arabia	+89	4.9%	↑
Tunisia	+71	7.1%	↑
Kuwait	+28	(None in 2014)	

Figure :6 Global Terrorism Index 2015, source: Vision for Humanity

The flood of cheap and easy-to-get weapons is for Nigeria very real and extremely high danger. The cost for Nigeria in terms of human lives lost and property damaged has assumed extraordinary proportions. Nigeria scores 149th out of 163 countries in 2017 according to the Global Peace Index and as the 3rd worst country (out of 163 countries) in 2017 in the Global Terrorism Index compiled by Vision for Humanity. Nigeria is constantly ranked amongst the top 5 countries with the highest impact of terrorism. In light of cheap weaponry which crosses porous borders unchecked, often under the watch of corrupt customs officials, there is a clear correlation between the number of fatalities and the unchecked availability of weapons throughout Nigeria.

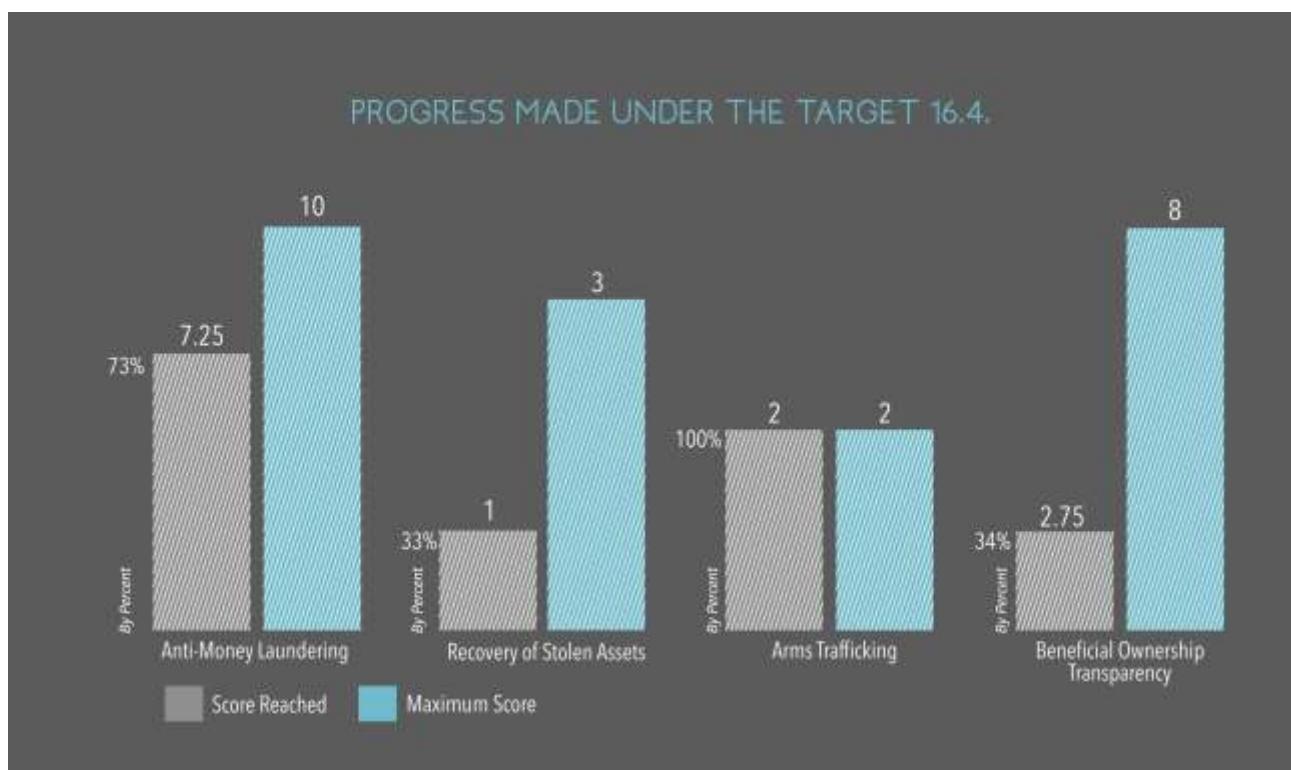
Whereas Nigeria is a signatory to appropriate international UN treaties regulating illicit weapons smuggling and proliferation, national legislation needs to be toughened and, above all, implemented to the fullest. The establishment of a dedicated unit tasked with the monitoring and investigation of arms trafficking within the Inspectorate of Military forces and the Police would be a step in the right direction. There is also a need of public oversight of shady sales of military and police stockpiles as well as wider insight into military and police procurement from the legislators and the public. The control of the Nigerian borders needs to be urgently stepped up as a response to unchecked flow of weapons in and out of Nigeria.

Key Recommendations:

1. Establish an anti-corruption unit within the Nigerian military under the Inspector General of Armed Forces with the mandate to investigate suspicious weapon sales from military stock piles;
2. Make military and police assets' sales and procurement transparent and open to public scrutiny;
3. Improve military, police and customs weaponry stockpile management; and
4. Introduce anti-corruption policy to the Nigerian Immigration Service and Nigerian Customs Service.

Progress Made Under the Target 16.4.

Policy area	Score Reached	Maximum Score	%
Anti-money laundering	7.25	10	73
Recovery of Stolen Assets	1	3	33
Arms trafficking	2	2	100
Beneficial ownership transparency	2.75	8	34



Target 16.5: Substantially reduce corruption and bribery in all their forms

Experience and Perceptions of Corruption

The patience of the Nigerian public corruption and bad governance is stretched to the limits. In the last available Afrobarometer 2015 measuring the perceptions of corruption across the African continent, 78% of Nigerians claimed that the Government was doing badly in fighting corruption. This is the fifth worst score out of 28 assessed countries (Transparency International, Afrobarometer, 2015). 43% of respondents claimed to have paid a bribe in the past 12 months for public service, a third worst result on the continent. The state of resignation and widespread pessimism is evident when asking if ordinary citizens can do something about corruption. Only 39% Nigerians agree, which is the second worst result in Africa. Only Sierra Leone scores worse.

In the leading Corruption Perception Index which provides the point of view of expert audience, Nigeria scores 136 out of 176 countries reaching 28 points out of 100.⁷ There has been very little change over the years in this trend.



Figure 7: Corruption Perception Index 2012-2016, source: Transparency International 2016

There is a widespread sentiment amongst the public that corruption is a 'way of life' for Nigerians, especially for the political class and business elites. It is worrying that law enforcers and armed forces are perceived as the most corrupt institutions. The social and traditional media bring daily shocking news stories and analytical reports of blatant corruption in every facet of the Nigerian public and private life.

A report produced by the Chatham House provides an interesting insight into the link between the social norms and the drivers of corruption. It states that corruption in Nigeria is limited to specific contexts and sectors. It even goes further against the general perception in stating that bribery and other forms of corruption may not be as widespread as people may assume. Giving bribes is influenced by the collective action of what people believe that others are doing. The study also documents that especially bribery is a response to the choices and pressures that individuals face. Thus, the lack of options to obtain a service in a 'proper' way rationalises corrupt behaviour

7. Legend: country or territory's score indicates the perceived level of public sector corruption on a scale of 0 - 100, where 0 means that a country is perceived as highly corrupt and 100 means it is perceived as very clean. A country's rank indicates its position relative to the other countries and territories included in the index.

as the only available choice. In other words, Nigerians are not more corrupt than the others. If other choices are available, there is a reasonable assumption that the public will not engage in corruption. The research also reveals that much larger proportion of Nigerians believes that corruption is wrong than the general assumption is. The collective social action may be reversed when the negative shared opinion on corruption is turned around (Leena Koni Hoffmann, 2017).

It is encouraging that the 'wrong' social attitude seems to be recognised as a source of corrupt behaviour amongst the governmental stakeholders as a policy challenge. Some programmes target the youth, public servants and other key players in 'reorientation programmes' where a change in the collective action towards corrupt behaviour is urged. The success of these policies is however unclear as many politically exposed persons do not even pretend concealing corrupt behaviour while in the office. It is deeply worrying that despite clear cases of the abuse of office, many politicians and public servants enjoy, or are able to otherwise obtain, the support of their electorate. There is a somewhat hypocritical and fatalistic stance to corruption in Nigeria where corrupt behaviour is publicly condemned, yet virtually every section of the society admits being involved. Unless the political elite demonstrates behavioural changes and until the role models in the Nigerian society step out in condemning corruption, the critical mass of public that has changed their social norms towards corruption is unlikely to be reached.

Anti-Corruption Framework and Institutions

The legislative and institutional framework is formally in place to combat various forms of corruption. The myriad of anti-corruption agencies (ACAs) are backed by enabling legislations that seems to confer a strong mandate and independence upon them. The Economic and Financial Crimes Commission (EFCC) appears to be the leading anti-corruption agency and has the strongest mandate to fight corruption in Nigeria. EFCC was established in 2004 as a response to the Financial Action Task Force on Money Laundering (FATF), which named Nigeria as one of 23 countries non-cooperative in the international community's efforts to fight money laundering.

The scope of the EFCC work is further enhanced by The Money Laundering Act 1995, the Money Laundering (Prohibition) act 2004, the Advance Fee Fraud and Other Fraud Related Offences Act 1995, the Failed Banks (Recovery of Debts) and Financial Malpractices in Banks Act 1994, the Banks and other Financial Institutions Act 1991; and the Miscellaneous Offences Act (EFCC, 2017).

EFCC is rendered the powers to investigate and prosecute corruption-related charges. In 2016, EFCC brought convictions against around 70 individuals. The lists are regularly published online.⁸ This agency is also equipped with a strong mandate to cooperate with international partners on far ranging issues such as asset recovery, disclosure of beneficial ownership, cooperation on international cooperation, etc. The agency has around 100 prosecutors and over 1000 investigators. EFCC head is named by the President and confirmed by the Senate. The naming of the chairman of EFCC has been a subject of a bitter stalemate between the Office of the President and the Senate. The Senate has repeatedly refused to permanently appoint the Mr. Ibrahim Mustafa Magu as a permanent head of EFCC. His acting in the leadership of EFCC weakens the institution as well as the reputation of Nigeria's seriousness on the fight against corruption. This comes in the context of 21 Senators out of 109 facing various corruption charges investigated by EFCC (Sahara Reporters, 2017).

8. <https://efccnigeria.org/efcc/images/RECORD%20OF%20CONVICTION%202016%20Complete.pdf>

	<i>Population</i>	<i>No. of Staff OoO</i>	<i>Ratio (staff/population)_million</i>	<i>Budget_annual_USD</i>	<i>GDP (per capita/USD)</i>	<i>Per capita expenditure USD</i>	<i>Expenditure as % of per capita GDP</i>
Nigeria ⁹	192000000	1100	5.72	48,500,000	2640	\$0.25	0.0054
Rwanda	11000000	78	7.09	1,647,519	638	\$0.15	0.04
Ethiopia	94100000	308	3.27	2,000,000	505	\$0.02	0.03
Kenya	44350000	70	1.58	3,882,923	1245	\$0.09	0.03
Uganda	37580000	376	10.01	10,988,460	572	\$0.29	0.01
Botswana	2020000	294	145.54	8,305,513	7315	\$4.11	0.09
Slovenia	2060000	41	19.90	2,180,704	23289	\$1.06	1.07

Table 3: Overview of anticorruption agencies, source: author, 2017

Independent Corrupt Practices Commission (ICPC) is yet another anti-corruption agency inaugurated on the September 29th, 2000 during former President Olusegun Obasanjo's regime. The Corrupt Practices and other Related Offences Act provides the legislative ground for the committee's performances. The enabling Act saddles the Independent Corrupt Practices and Other Related Offences Commission with the responsibility of fighting against corruption and other related crimes. In practice, EFCC is primarily charged with the responsibility of enforcing laws relating to banking, money laundering and advance fee fraud. ICPC concentrates on curbing bribery and corruption in the civil/public service. The EFCC appears stronger as it does not bound by any time limitations as to when a crime was committed and can prosecute directly without going through the Attorney General's office. The ICPC's mandate is limited to crimes committed after 2000. It has prosecution powers as well.

The Code of Conduct Bureau (CCB) functions next to EFCC and ICPC as yet another agency mandated to fight corruption and related offences with a specific limitation to public officials. The CCB is the eldest anti-corruption agency dating back to 1979. In addition, virtually every ministry at the national level and many of the 36 federal states have dedicated offices to anti-corruption. Public Procurement Bureau, The Office of the Auditor General, the Financial Intelligence Unit (NFIU) and a myriad of other agencies also deal with corruption-related issues. This complicated institutional framework creates a very real risk of overlap and duplication of efforts in the absence of functioning coordinated cooperation mechanisms.

For example, The EFCC is the central coordinating agency to investigate money laundering. However, the Nigerian Police Force and National Drug Law Enforcement Agency have powers to investigate money laundering. Nigeria has established a Special Control Unit Against Money Laundering (SCUML) charged with supervising of designated nonfinancial institutions. The information exchange and practical aspects of cooperation between these specialised units and EFCC are not clear. The newly launched harmonised Anti-Corruption Strategy compiled by the Presidential Advisory Committee Against Corruption (PACAC) does recognise this challenge in the greater emphasis on the clear lines of responsibilities and mandates of all agencies involved (Presidential Advisory Committee Against Corruption , 2017).

On the legislative side, the Criminal Code and the ICPC Act ban bribery and clearly defines it as an offence and crime. Nigeria has criminalized active and passive bribery principally in Sections 8

9. In Nigeria, there are multiple anti-corruption agencies. The data is calculated for EFCC as this agency has the broadest mandate and seems to be most active in the anti-corruption fight.

¹ In Nigeria, there are multiple anti-corruption agencies. The data is calculated for EFCC as this agency has the broadest mandate and seems to be most active in the anti-corruption fight.

to 10 of the ICPC Act and in the Criminal Code. Section 9 of the ICPC Act covers active bribery of public officers and any other persons, whilst Sections 8 and 10 cover passive bribery by any persons; third party beneficiaries, including legal persons, are covered (Section 2). Section 53 creates a presumption of guilty mind. According to the Implementation Review Mechanism (IRM) of the UNCAC, the legislative provision is somewhat weaker in regards to the prevention of revolving door practices and trading influence. Code of Conduct provisions mention a conflict of interest which is vague in definitions as compared to the UNCAC standards. Nigeria has not comprehensively criminalized trading in influence but adopted relevant measures in Sections 17, 19, 21 and 22, ICPC Act.

Illicit enrichment is simply referred to as fraud in the afore-mentioned definitions but lack sufficient precision as in line with Article 21 of the UNCAC. Embezzlement of property in the private sector is treated as crime under the criminal code and criminal breach of trust and is banned. Yet again, there are some shortcomings in the definition against article 22 in UNCAC. Nigeria has only partially criminalized bribery in the private sector through the application of Sections 8 and to some extent 9 and 17, ICPC Act. There have been no prosecutions of private sector bribery.

Illegal money laundering is banned under the anti-money laundering regulations pursuant to the EFCC law with a Proceed of Crime Bill currently before the legislature. Nigeria has criminalized money laundering under Sections 17 and 18 of the EFCC Act, Sections 15 and 16 of the MLPA Act, and Section 24, of the ICPC Act in a manner largely consistent with UNCAC, Act 23. The Criminal Code Act, the EFCC Act and the ICPC ban concealment and defines it. The Criminal Code Act, the EFCC Act and the ICPC bans obstruction and defines it in line with the article 25 of UNCAC. Sections 126 and 133, Criminal Code cover wrongful interference with or influencing witnesses in judicial proceedings.

Despite some shortcomings in the definition of embezzlement, trading of influence and abuse of functionality, illicit enrichment and embezzlement of property in private sector, the legal provisions are largely in line with the UNCAC. However, it is evident that the relatively robust legislative framework falls short in the prevention and punishment of above mentioned practices. The exposure and prosecution of politically exposed persons and senior officials has gained some traction under the Buhari-led administration but has not led to any convictions. Several political office holders are undergoing trial for money laundering, some judicial officers and senior legal practitioners are also being tried for bribery. A former state governor was convicted for corruption related to contract fraud. A former Head of the National oil company is being tried for concealment. However, only a few cases are brought to justice and too few officials serve their sentences in prison. The low rate of conviction tends to be weakening the public perception on the seriousness of the Buhari administration in the fight against corruption.

There is an ample evidence of political interference in the anti-corruption campaign including, from the Presidency, the Senate and the National Assembly, which appears to be increasingly noticeable. The manner in which previous heads of some of the ACAs have been removed from office, suggests that there are limits and powerful enemies in the fight against corruption. The ongoing dispute about the confirmation of the nomination of the EFCC head is particularly worrying and a further testament to the political wrestling around anti-corruption matters.

Apart from political interferences, another serious impediment is the level of competency of key anti-corruption institutions to effectively prevent and sanction acts of corruption. The budgetary allocations annually compared to the expressed needs of the ACAs record significant gaps. EFCC has been allocated in 2017 48.5 million USD (about N17 billion), representing 8.5 per cent budget reduction compared to 2016. This fact hardly backs the proclaimed political priority in the

anti-corruption fight. It would be illusory to think that the staff of anti-corruption institutions are immune to the pervasive corrupt environment. Even the head of the EFCC admitted that there are corrupt persons within the agency's ranks (Today, 2016).

The lack of coherent statistics on prosecutions and investigations, including forfeited or confiscated assets makes it difficult to back up the claims by the current administration that there is progress against corruption since 2015. EFCC, for instance, does compile a list of annual convictions but other agencies including the Police, the Judiciary, ICPC, etc. do not produce or make public any comprehensive statistics and disaggregated data on corruption-related and money laundering investigations, prosecutions and convictions. The lack of evidence basis is unfortunately not addressed in the new harmonised Anti-corruption Strategy, 2017.

Furthermore, the general sentiment of impunity of public officials is reinforced by the current legal framework. Section 308 of the Constitution provides near absolute immunity for certain categories of public officials, notably the President, Vice President, State Governors and Deputy Governors which effectively prevents their prosecution, arrest and imprisonment while they are in office. Section 52, ICPC Act provides for the appointment of independent counsel to conduct investigations of corruption in respect of those categories of public officers, although the provision is rarely applied and has not resulted in any punitive actions.

Lack of evidence on corruption related charges is to be blamed on the culture of intimidation and aggressive offences traded frequently through media. Limited provisions to protect informants and information though an amendment of the Freedom of Information Act 2011 are currently being discussed in the Senate.

Key Recommendations to Government

1. *Include in the Money Laundering Prevention and Prohibition Bill the bribery of foreign public officials and officials of public international organizations, and consider establishing the passive version of the offence;*
2. *Criminalize trading in influence with an improved legal definition;*
3. *Close loopholes in legal definitions related to criminalizing bribery between private sector actors;*
4. *Eliminate legislative loopholes that enable obstruction of justice in bribery charges;*
5. *Review the scope of persons covered by criminal immunities to ensure the possibility of effectively investigating and prosecuting politically exposed persons;*
6. *Ensure full independence from political interference to anti-corruption agencies*
7. *Eliminate duplication of mandate between EFCC and ICPC for more effective implementation of anti-corruption policy; and*
8. *Ensure that coherent statistics on prosecutions and investigations, including forfeited and confiscated assets are produced and updated regularly;*

The Code of Conduct Bureau established in 1979 and placed formally under the President's office is responsible for enforcing robust laws and provisions regulating conflicts of interests and integrity and deal specifically with corruption in the public service. The Tribunal Act, Chapter 58 LFN 1990 provides the Bureau with the mandate to establish and maintain a 'high standard of public morality' in the conduct of government business and to ensure that the actions and

behaviour of public officers does not breach ethical and integrity standards.

Third Schedule to the 1999 Constitution of the Federal Republic of Nigeria has provided the Bureau with the powers to:

- receive declarations by public officers under paragraph 12 of part 1 of the fifth schedule to the constitution.
- Examine the declaration in accordance with the requirements of the code of conduct or any law.
- Retain custody of such declaration and make them available for inspection by any citizen of Nigeria on such terms and conditions as the National Assembly may prescribe
- Ensure compliance with and where appropriate, enforce the provisions of the code of conduct or any law relating thereto.
- Receive complaints about non-compliance with or breach of the provision of the code of conduct or any law in relation thereto, investigate complaints and, where appropriate, refer such matters to the code of conduct tribunal.
- Appoint, promote, dismiss and exercise disciplinary control over staff of the code of conduct bureau in accordance with the provisions of an act of the National Assembly enacted in that behalf (Code of Conduct Bureau, 2017).

The conflict of interest regulating the work conduct and ethics of public officials states that “[a] public officer shall not put himself in a position where his personal interest conflicts with his duties and responsibilities” (Code of Conduct Bureau, 2017). The provision further goes on restricting other paid employment or other activities, prohibits holding of foreign accounts by high public officials.¹⁰ It further prohibits retired public officers from employment in foreign companies, receiving gifts and benefits by public offices as well as regulation of the provision of loans and credits.

Article 8 of the Code of Conduct for public officials further states that “[n]o person shall offer a public officer any property, gift or benefit of any kind as an inducement or bribe for the granting of any favour or the discharge in his favour of the public officer's duties” (Code of Conduct Bureau, 2017). The provision also stipulates the conditions to provide declaration of assets for higher public officials.

The Code of Conduct policy does bring provisions which, in theory, should prevent public servants from accepting more than one remunerative position and use their influence while in office and after retirement for personal enrichment. It stipulates that a public officer shall not, after his retirement from public service and while receiving pension from public funds, accept more than one remunerative position as Chairman, Director or employee of a company owned or controlled by the government or by any public authority. Furthermore, a retired public servant shall not receive any other remuneration from public funds in addition to his pension and the emolument of such one remunerative position (Code of Conduct Bureau, 2017).

One of the most important provisions of the Code of Conduct Act relates to the declaration of assets by public officers. Every public officer must immediately after taking office and at the end of his term of office, submit to the Code of Conduct Bureau a form declaring properties, assets and

10. The President, Vice President, Governor, Deputy Governor, Ministers of the Government of the Federation and Commissioners of the Governments of the States, members of the National Assembly and the Houses of Assembly of the States, and such other public officers or persons as the National Assembly may by law p

liabilities and those of his spouse, unmarried children under the age of 18 years. Any statement in such declaration that is found to be false by any authority or person authorised in that behalf to verify it is deemed to be a breach of the Code.

Asset disclosures are required from all public officials as defined in the Fifth Schedule of the 1999 Constitution. Asset declaration applies to all officers within the public service and includes elected officials such as legislators, governors and their deputies as well as the President and the Vice President. There is a dedicated court, The Code of Conduct Tribunal which tries and sanctions Public Officers who are in breach of the Code of Conduct including false or absent asset declarations. *De jure*, the Sanctions for breach are quite severe and include vacation of elective or appointed office or disqualification from holding public office and seizure and forfeiture of property.

The Constitution of the Federal Republic of Nigeria (1999) and the Code of Conduct Bureau and Tribunal Act only give the bureau powers to receive assets declarations, verify, examine,

Code of Conduct Tribunal with Nigeria's Senate President, BukolaSaraki

On the 14th of June, 2017 the Code of Conduct Tribunal has dismissed the case of false asset declaration against Nigeria's Senate President, Bukola Saraki. In the ruling, the tribunal chairman, Danladi Umar, said the prosecution had failed to prove its allegations.

According to the charges, the Senate President had been accused of failing to declare some assets he acquired while in office as governor.

Among other offences, including allegedly acquiring assets beyond his legitimate earnings, Mr. Saraki was also accused of operating foreign accounts while being a public officer - governor and senator.

He and his companies are reported to accumulate more than N51.5 million in Nigeria when he submitted these forms to the Code of Conduct Bureau in 2003. Mr. Saraki also had cash assets, under his name or those of his companies, of at least 2.9 million pounds sterling and \$400,000 dollars in 2003. Furthermore, he is the owner of at least eight properties in Nigeria, calculated in 2003 to be worth more than N2.2 trillion. Mr. Saraki was also the registered owner of eight properties in London. By 2003, according to Mr. Saraki's assets declaration forms, he owned properties in the UK worth more than \$12.6 million (Sahara Reporters, 2015).

When granting an interview to BBC, he said to his defence: "I come from a blessed family. I come from a family where my parents were opportunists and after that I worked hard in the private sector and I think I have worked hard for everything that I have. I made 95% of my asset before I joined government. (BBC, 2015)".

His wealth as well as political exposure has been put by many as an example of the connection of politically exposed persons and their ability to use wealth for political gains which lead to further wealth. His acquaintance is perceived by many as a sign of the 'loss of steam' in the war against corruption by the Buhari administration.

Figure 8: Code of Conduct Tribunal with Nigeria's Senate President, Bukola Saraki

The Constitution of the Federal Republic of Nigeria (1999) and the Code of Conduct Bureau and Tribunal Act only give the bureau powers to receive assets declarations, verify, examine, keep in custody and enforce compliance when there is a breach. There is no provision urging the publication of the assets to the public. However, the reality is close to the contradiction to the legal and executive provisions outlined above. The Code of Conduct Bureau is perceived as inefficient and politically biased. The Bureau appears to be overwhelmed politically and operationally in the performance of basic issues such as the evidence of the submission of declarations of assets. Eighty-nine cases of illicit enrichment and breach of Code of Conduct were investigated by CCB between 2007 and 2013 (UNODC, 2015). This figure is considered a negligible number given the vast governance apparatus and hundreds of undeclared asset declarations. The media are awash with mind-boggling looting of public funds by those entrusted with it in spite of the frequent ritual of assets declaration, which are, *de facto*, a formality not serving the intended purpose at all.

Despite the promises of the Buhari administration to reform the system, not much has been done so far.

Number of Investigations of Code of Conduct Bureau								
PETITION YEAR	2007	2008	2009	2010	2011	2012	2013	Total
ABUSE OF OFFICE	54	78	63	78	18	42	20	353
ILLEGIT ENRICHMENT	14	19	15	19	4	14	4	89
CONFLICT OF INTEREST	8	6	1	14	1	4		34
FAILURE TO DECLARE ASSETS	6	3	4	5	2	1	4	25

Figure 9: Number of Investigations of CCB, source: CCB 2015

The sanctions in place de jure are not enforced nor do they serve as deterrent fraudulent practices. Lack of capacity to enforce, high political influence in the public service and general culture of corruption and impunity within the public service render existing laws and procedures completely impotent to address the issues aforementioned. Most public officials are not aware of asset disclosure mechanisms, regulations of gifts, etc. Even those that are aware of it hardly put its provisions into implementation. The Code of Conduct Tribunal's performance has been very poor even against the generally low Nigerian standard of service delivery by public institutions.

As seen above, the legal structure for asset declaration submission is encompassing a wide range of public officials and includes penalties and sanctions severe enough. The institutional structure is also developed and special tribunal for trying cases is in place. However, the legal and institutional framework is not able to serve as a deterrent in any way. One of these examples dates to the previous administration when the civil society called publicly and repeatedly on the President Goodluck Jonathan to declare his assets since 2011. He blatantly refused despite the fact that the Nigerian Constitution explicitly calls for all public officials including, the President to declare their assets. Such behaviour at the very top of the governance structure hardly induces good practices and rule of law in the Nigerian society.

Apart from the fact that some public officials do not bother to declare their assets as specified by the law, those who comply make often false declarations. It is alleged that some of the political office holders make anticipatory declarations, that is, they make higher and bigger claims than their true worth in anticipation of what they intend to illegally acquire while in office. However, others do under-estimate their true assets' value. Here, properties or assets owned by a public officer are said to belong to his or her cronies or family members. Anticipatory declarations are often made on assumption of office while under-estimation sometimes takes place after the expiration of the terms of office. It is to be noted that this practice extends beyond public officers, many others in informal and private sector do under-declare their incomes and assets in order to evade tax or reduce considerably their tax liabilities.

There are some best practices when some politicians voluntarily disclosed their assets. The former president of Nigeria, Umaru Musa Yar'Adua who on June 28, 2007 made public his Asset Declaration Form (ADF) which stood at N856 million (about 2.5 million USD). Others who have voluntarily made their assets public include former Governor Gbenga Daniel of Ogun State who made an open declaration of N4.47 billion (about 12.7 million USD) assets in July 2007(Ojo, 2011).

It is to be highlighted that the current President Buhari has declared his assets repeatedly, unlike his predecessors. He also repeatedly encouraged his cabinet ministers and other senior officials

to submit their declarations in line with the law. However, these are rather exceptions. It is very challenging for the public and the civil society to obtain the asset declarations in the first place. Even if they do, to ascertain the accuracy of these statements and validate them would require large-scale investigation as many personal assets of politicians and PEPs are outside of Nigeria in off-shore tax heavens or hidden behind uncooperative jurisdictions. Technically speaking, under the purview of Freedom of Information Act, 2011 the asset declarations mandate should be handed over by the Code of Conduct Bureau. However, it is in practice extremely difficult to obtain full asset declarations.

It is evident that the existing structures fail to deliver on the purpose of asset declarations as a tool to verify the integrity of public officials in Nigeria. The politically powerful individual and untouchable usually referred to as the 'big fish' openly brag about being beyond the reach of the Code of Conduct Bureau and even the Constitution. To deliver on its purpose, the Code of Conduct Bureau needs to be strengthened financially, legally and administratively to perform its constitutional duties while amendment of the relevant laws is also long overdue to make the contents of Asset Declaration Forms open to public scrutiny.

Key Recommendations:

1. *Asset declaration forms should be treated as public documents within the meaning of section 109 of the Evidence Act. The asset declarations of top government functionaries should be posted on the website of the Code of Conduct;*
2. *The Code of Conduct Act should be amended to insert a 'cooling-off' provision for senior public servants and politicians stipulating a period of time between retirement and private business employment; and*
3. *Introduce a 'revolving door' policy regulating and investigating conflict of interest's cases and undue linkages between the private and public sectors.*

Private Sector Corruption

There have been nine Bills so far presented at the National Assembly in a bid to create a legal framework for competition in Nigeria and to reduce kick-backs. The most recent Bill is labelled an 'Act To Provide For The Establishment Of The Nigerian Trade And Competition Commission And For Other Matters Connected Therewith'. The Federal Competition Bill, 2002, an executive bill drafted by the Nigerian Bureau of Public Enterprises (BPE) is supposed to provide necessary conditions for market competition and to stimulate creative business activities, protect consumers, and promote the balanced development of the national economy, by prohibiting restrictive contracts and business practices that substantially lessened competition. It was also to be a Bill to regulate "possible abuses of dominant positions by businesses, and anti-competitive combines, and to establish the Federal Competition Commission, for effective implementation and enforcement of all the provisions of the bill" (2014). According to relevant sections of the Bill, cartel agreements amongst competitors, including price fixing, bid rigging and market division, are also to be expressly criminalized. This is clearly a robust and comprehensive Bill which would address many pertinent issues in public procurement (Vita Veritas, 2014).

Astonishingly, 16 years after the introduction to the Nigerian National Assembly, the Bill remains to be passed into law, which means that the key legislative provision falls short to effective

execution. However, there has been some progress at last as the House of Representatives finally passed the Bill in March 2017 while the Senate also passed it in June, 2017. The Bill in its current form proposes a five-year jail term and N50 million fine for individuals who violate the competition law and a fine not exceeding ten percent turnover in the preceding business year of a defaulting company. The proposed law also addresses and provides penalties for dominant position and monopolisation of the market, mergers, manipulation of prices conspiracy, bid rigging and obstruction of investigation (Proshare Intelligent Investment, 2017).

Under the existing competition laws, there are vague definitions of bribery between private entities. There is no explicit law prohibiting or sanctioning bribery of foreign public officials.

Collusion and 'kick-backs' are widely reported and are a major issue of manipulating public procurement in Nigeria. Even the most vital part of the Nigerian economy, the extractive industries, is not immune to these practices. Nigeria has tremendous difficulties in making extractive industries accountable, including foreign owned oil and gas companies. Huge revenue leakages are reported and a number of corruption cases are pending at the moment. Nigeria Extractive Industries Transparency Initiative (NEITI) has attempted to map the extent of the damage and bring some rules and procedures into this matter. However, the progress is slow and uneven. The passage of the long-awaited Bill to regulate the extractive industries in May 2017 is hoped to trigger some reforms in the industry which is currently providing 70% of Nigeria's revenues. Beneficial ownership of oil and gas companies and open data on bidding and contracting are preconditions to restore healthy conditions in the extractive industry and beyond. Corruption in the private sector and the manipulation of contracts has been neglected for too long by the authorities and the civil society alike.

Key Recommendations to Government

- 1) *Expedite the passage of the Bill For An Act To Provide For The Establishment Of The Nigerian Trade And Competition Commission And For Other Matters Connected Therewith;*
- 2) *Open the bidding processes to the public, especially in the extractive industries; and*
- 3) *Disclose contracts between oil & gas companies and the Government retrospectively without any preconditions.*

Lobbying Transparency

There is very little legislative framework to regulate lobbying activities in Nigeria. In the context of enormous interests of big extractive companies and rampant corruption, near absence of the rules for lobbying evokes serious impediment in bringing clarity into the nexus between the business and politics in Nigeria.

Currently, the appropriate Bill for an Act for the Regulation and Registration of Lobbyists in Nigeria and for other matters connected therewith, 2016 is debated in the Senate and the National Assembly. Once enacted, the law would regulate and in fact, for the first time in Nigeria, define lobbying (National Assembly of the Federal Republic of Nigeria, 2016). The Bill has passed the second reading on October 12, 2016. The sponsor, Senator Dino Melaye, leads the debate on the general principles of the Bill with the aim to make provision for registration and regulation of professional lobbyists in the Legislature under the Companies and Allied Matters Act (CAMA). According to the provision, professional lobbyists would be required to register with the Ministry of

Justice to practise as a lobbyist in the Senate or House of Representatives or both Houses.

If passed in its current form the Bill will enforce registration of lobbying activities in the Legislature and will require lobbyists to disclose how much expenses are spent on lobbying and to whom it concerns. The law would also ban lobbyists from paying for gifts and food as a means of inducement.

It is a paradox that the push for this legislation comes from those that would like to utilise the legislation for regulating NGO activities in Nigeria. Politicians and senior public officials often raise questions about the interests of NGOs and CSOs in Nigeria, as most NGOs are international or funded from abroad. Advocacy for political or commercial interests does not seem to be the primary concern behind the lobbying legislation in the context of secretive culture around lucrative political and business interests. While there is no practical or intellectual objection against the registration of activities of NGOs in the chambers of the Parliament and beyond, it would be deeply worrisome if this Bill is used in restricting civil society instead of commercial and political lobbyists.

Civil society has been calling for a legislation, which would regulate or at least expose activities, in which well-connected professional advocates, often lawyers, manipulate public domain for the benefit of private businesses or the political elite. For example, the utmost secrecy of contract awarding in sectors such as extractives, defence, etc. are a direct result of publicly damaging and unregulated lobbying. There are reasons to believe that lobbying without any transparency has resulted in huge loss of revenues. In the case of the defence sector, many legislative exemptions from the civil service oversight in the past have indirectly contributed to the security threat. Many lobbyists manipulate lucrative military contracts, which are clearly not delivering any value to Nigerian security.

To conform with best international practices, there should be a central register of lobbyists and lobbying entities. Clear rule for code of conduct of lobbyists needs to be drawn including, the database of their spending activities and who they have influenced. The critical element, once the Bill is passed into a law, will be in ensuring its implementation. Given many precedents in Nigeria as, for example, the Code of Conduct Bureau, which largely failed to monitor public servants' ethics, any institution or body mandated with the oversight needs to have a sufficient degree of independence, professionalism and be a subject of public scrutiny in terms of performance. Similar analogue efforts have shown that mere passing of a legislation is not a guarantee as oversight institutions and entities are drawn in the same vicious circle of misconduct of what they are supposed to oversee. There is a concern by the public and within the civil society that this will be also the case for lobbying even if the appropriate law is passed.

Key Recommendations to Government

1. *Speed up enacting the Bill for an Act for the Regulation and Registration of Lobbyists;*
2. *Establish a central register of lobbyists and lobbying entities; and*
3. *An independent body and the civil society shall monitor the Act for the Regulation and Registration of Lobbyists once enacted.*

Whistle-blowing

Section 64 of the Corrupt Practices & Other Related Offences Act, 2000 (ICPC Act) provides that the information contained in a complaint, the identity of the complainant and circumstances of disclosure shall be kept secret and shall only be disclosed to a trial judge and defence lawyer in attendance in any civil or criminal proceeding. However, there is no penalty for wrongful disclosure of the identity of a complainant neither is there any restitution or compensation for a whistle blower who suffers victimisation as a result of complaints made in relation to corruption.

Nigeria does not have a law at present that would provide full protection to whistle blowers. Instead, there is a whistle blowers' Policy, which is designed to deal with any public concern raised in relation to specific issues, which are in the public interest. The Policy does not apply to personal grievances concerning private contracts, complaints of bullying or harassment, or disciplinary matters. Some are of the opinion that the whistle-blowing policy is "*unable to provide protection to the whistleblower as would have been provided by the proposed whistle blowers protection Act.*" (Ynaija, 2017).

However, a Whistle Blowers Bill is being prepared and has passed second reading in the Senate in October 2016. The President of the Senate, Bukola Saraki, has said the Senate would pass the Whistle Blower Protection Bill in July 2017 (Premium Times, 2017). It is believed that once this Bill is passed, it will strengthen the work of anti-corruption institutions such as the EFCC and ICPC. The workings of the Freedom of Information (FOI) Act, 2011, will also be smoothed. The current Bill has been a result of extensive consultations between the Government and the civil society. Especially, the Human and Environment Agenda (HEDA) Resources Centre in collaboration with Premium Times Centre for Investigation Journalism (PTCIJ) have been the driving forces behind the legislation on the side of CSOs.

Interestingly, the whistle-blowing policy that the Federal Government put in place in December 2016 to encourage people to expose fraud in the public and private sectors, established that whistleblowers can collect between 2.5 and 5% of the finances recovered. This incentive has been instrumental behind the recent discoveries of huge financial resources nationwide. It has been reported by global media houses when the EFCC discovered 43 million USD in cash in April, 2017. A week before, N250 million in cash (\$817,000) 'appeared' in a Lagos market and a further N448 million cash (\$1.5 million) at a shopping plaza. The Minister of information, Lai Muhammad, said the policy had led so far to the recovery of over \$180 million (Bella Naija, 2017). However, there have been no arrests following the discoveries of the funds, nor has it been clearly established who the owners of these vast sums are. The Policy does not contain a disclosure procedure, which makes public appraisal of the successes highly difficult.

An online portal has been set up under the auspices of the Ministry of Finance and some other institutions to lodge complaints on corruption. However, given the low trust of public institutions by the public, it remains to be seen to what extent the public will utilise these platforms.

There are also concerns that financial incentives behind whistle-blowing may unleash 'witch-hunt' that could further erode already tested social fabric in Nigeria. Some observers also fear that this policy can further fuel the suspicion of political motives behind the recent anti-corruption crusade (see e.g. Onlinenigeria, 2017).

To sum up, despite some laudable efforts to enact whistle-blowing laws, there is currently no legal regime for the protection of whistle blowers in Nigeria. Two bills, namely, the Whistle Blower Protection Bill, 2008, and Whistle Blowers Protection Bill, 2015 had been passed but neither of these has successfully metamorphosed into the law. As the situation stands now (May 2017),

there is no legal basis for which the protection of a whistle blower in Nigeria can be enforced. The Whistle Blower Protection Bill, currently being discussed by the Senate, is expected to close these loopholes and would be an important legislative milestone in whistle-blowing protection if passed by the Legislature in its current form.

Key Recommendations to Government

1. *Expedite the enactment of the Whistle Blowers Protection Bill; and*
2. *Government and civil society shall highlight positive stories of whistle blowing leading to exposing corruption and assets' recovery, etc.*

Party and Campaign Finance Transparency

De jure, there is no direct or indirect public funding available for parties or candidates in Nigeria. The legal framework includes some prohibitions on contributions, though many loopholes exist. Anonymous donations to parties and individuals are not permitted. Individual contributions to parties and individuals are capped. Corporations are forbidden from donating to political parties, and are limited in how much they can legally contribute to candidates. Foreign financing is banned for political parties.

According to the electoral law, the maximum election expenses to be incurred by a candidate at a Presidential election shall be one billion Naira (about 2.85 million USD); the maximum election expenses to be incurred by a candidate at a Governorship election shall be N200 million (about 600,000 USD); the maximum amount of election expenses to be incurred in respect of Senatorial seat by a candidate at an election to the National Assembly shall be N40 million (about 115,000 USD), while the expenditure limit for any candidate for a seat in the House of Representatives shall be N10 million (about 30,000 USD). In the case of State Assembly election, the maximum amount of election expenses to be incurred shall be N10 million (about 30,000 USD) while in the case of Chairmanship election to an Area Council, the maximum amount of election expenses to be incurred shall be N10 million (about 30,000 USD) and in the case of Councillorship election to an Area Council, the maximum amount of election expenses to be incurred shall not exceed one million Naira (about 3,000 USD) (Federal Republic of Nigeria, 2010).

Political parties and candidates are required by the electoral law to release income reports of political campaigns to the public and to disclose big donors of an electoral campaign.

In practice, political parties' financing relies heavily on private donors, some of whom violate contribution caps. Violations of both contribution and expenditure are relatively common despite some improvements in recent years, especially in the 2015 presidential elections. Legal reporting requirements apply only to parties, not to individual candidates. Parties regularly fail to file the required reports. Only 2 of 23 parties filed annual reports in 2011.

During the 2015 general elections, the major political parties raised funds for campaigns and companies donated billions of Naira but the identities of these companies were shielded from the public. No political party was sanctioned. This raised questions on whether or not the Independent Nigeria Electoral Commission (INEC) monitored and recorded campaign expenses to invoke Section 91 of the Electoral Act 2010. Third party actors, in the form of political organizations that support specific campaigns, are present in Nigeria, and they are not subject to any regulations. INEC is empowered to monitor and investigate political finance issues in Nigeria.

In practice, the INEC suffers from capacity constraints, and has largely eschewed any active oversight of political finance. Enforcement of above named regulations is weak. According to the Money, Politics and Transparency Index, an international ranking of political transparency and financing, Nigeria scores 45 out of 100 in the legal framework regulating party and finance transparency. However, in the practical application, Nigeria scores only 17 points out of 100 (Money, Politics, Transparency, 2014).

In 2015 presidential election, the President, Dr Good luck Jonathan grossly exceeded the limit for campaign donation and received billions of naira from faceless friends, individuals, groups and corporate bodies and against the Constitutional provision in Section 225(2), donors caught-in to donate extravagantly under the shield of Section 93(2) of the 2010 Electoral Act and no record of sources nor donors? names and addresses were kept for accountability. (p. 79, Nwagwu, 2016)

Figure 10 :Presidential donations: Source Nwagwu 2016

Many political observers argue that political parties' financing has constituted serious threat to the very survival of democracy in Nigeria. Vast financial resources influence party primaries, election results, and government policies (Nwagwu, 2016). So called 'Godfathers' influence the system in such a way that they can effectively circumvent the rules put in place by the electoral law. These politically exposed individuals have all necessary powers to impose their will on any individual by ensuring his or her election and by providing financial resources. Crippled political financing therefore ensures direct influence of these individuals and their unrestricted access to the state apparatus.

Key Recommendations to Government

1. *Ensure full political independence of the Independent National Electoral Commission and fully expose political interference in the electoral process at the national and state level;*
2. *Strictly apply the Electoral Act 2010, especially the structure of donations and expenditures of individual and party candidates;*
3. *Ensure the accuracy and disclosure of party and individuals donations and expenditures;*
4. *Ban individuals breaching the Electoral Act 2010 from the public life; and*
5. *Expose beneficial ownership of corporations donating financial resources to parties and individuals*

Fiscal Transparency

The US State Department issued an assessment in 2015 that Nigeria did not meet the international minimum requirements on budget transparency. In the past, the same institution had issued negative assessments, especially due to concerns in the natural resources sector. In 2014, the report states that “*while the criteria for awarding natural resource extraction concessions is made public, actual practices are opaque and do not appear to always conform to the criteria*” (2014, p.6). Huge off-budget spending is a source of concern. For example, the defence budget accounting for about 15% of the national annual budget and other key expenditure items do not feature frequently in the budgetary drafts disclosed to the public. The budgets also lack necessary detail.

However, the Open Budget Index 2016 shows some signs of improvement. Pre-budget statements are now produced and open to the public, albeit they are late and lack details in many instances. The Government submits to the Parliament the budget for the approval as required by the appropriation law. There are end-year reports on budgetary spending, which are now in principle open to the public. The state budget is audited by the Office of the Auditor General as required by appropriate laws. There are no mid-budget reviews.

Nigeria	Open Budget Survey 2015	December 2016 Update
Pre-Budget Statement	🟡 Published Late	🟡 Published Late
Executive's Budget Proposal	🟢 Available to the Public	🟢 Available to the Public
Enacted Budget	🟢 Available to the Public	🟢 Available to the Public
Citizens Budget	🟢 Available to the Public	🟡 Not Available Online
In-Year Reports	🟡 Published Late	🟡 Produced for Internal Use Only
Mid-Year Review	🟡 Produced for Internal Use Only	🔴 Not Produced
Year-End Report	🟢 Available to the Public	🟢 Available to the Public
Audit Report	🟡 Produced for Internal Use Only	🟢 Available to the Public

Table 1: Open Budget Survey, 2015, source: International Budget Partnership

However, the legal framework to support fiscal transparency is still inadequate. There is only little clarity on the extent of legislative powers in the passage of the annual budget, for example, its powers to amend the budget. The absence of the law specifying the budget format is a serious hindrance. Similarly, there is no requirement to release information on actual in-year spending, procurement, public assets and liabilities even though some disclosures are usually made. Most importantly, the legal framework does not provide for public participation in the budget process.

The Office of the Auditor General confirmed a corresponding lack of capacity and resources, including inadequate information and accounting systems in the budgetary process. The Legislature lacks the capacity and skills to undertake thorough budget analysis and monitoring. However, it has increased its efforts to hold the executive accountable for the reform of critical systems in the budget process in recent years.

Like the previous budgets, the 2017 budget was presented by the Executive to the National Assembly without popular participation of citizens in the draft process. Civil society organizations have started in recent years facilitating simplified budgets and encouraging discussions on the efficiency and effectiveness of public spending. Donor agencies however, participate in the

budget process as experts on strategies for budget implementation and fiscal management.

There have also been some moves to bring the expenditures and revenues from extractive industries in the budgetary circle. In May, 2017, the Senate has (delete) finally passed the much-awaited Petroleum Industry Governance Bill (PIGB). The Bill seeks to remove powers from different regulatory agencies and scraps the Nigeria National Petroleum Corporation (NNPC), Department of Petroleum Resources (DPR) and Petroleum Products Pricing and Regulatory Agency (PPPRA). These state-owned entities operated until recently outside of the state budget. Moreover, the move intends to bring more transparency in the fiscal revenues as well as greater public scrutiny in public contraction within the critically important oil and gas industry.

A great source of concern is the complete lack of fiscal transparency within the military budgets. There is no oversight over the 'security vote' spending. 2016 budget contained over 30 so-called "security votes" allocated to the Presidency and state governors. This expenditure amounts to N210 billion (about 600 million USD) annually. As TI report from 2017 revealed, the security votes are "*[w]idely perceived as one of the most durable forms of corruption in Nigeria today, security votes should be abolished or strictly regulated. Declassifying how the security vote funds have been spent, after a two-year information embargo, could also enable citizen oversight*" (p.3).

"One example of this fiscal obfuscation is the Nigerian National Petroleum Corporation's suspicious disbursement of US \$289 million paid directly to the National Intelligence Agency (NIA) - the country's small overseas espionage arm - just before the 2015 election.⁴⁶ Likely diverted into President Jonathan's re-election campaign, the payment amounted to more than twice the NIA's annual budget.⁴⁷ In April 2017, more than US \$43 million in cash was recovered in an apartment raid. The apartment is owned by the wife of the Director General of the NIA, Ayodele Oke, who claimed the money was being stored for "covert purposes". Oke has been suspended while an ad hoc panel investigates how these funds were released to the NIA". (Transparency International UK, 2017, p.17).

As stated above, Civil Society Organisations are filling the vacuum in the budgetary process citizens' disengagement by providing alternative platforms where citizens can track budget and report projects that are sub-standard or not completed. For example, Tracka.ng enables submitting a complaint about a state funded project and track its completion. Yourbudgit.com simplifies the national budget and disaggregates by the federal and the states. It also enables large-scale citizen participation in the commenting on the budgetary process. The attractive usage of infographics and data processing facilitates great attention of young and well educated Nigerians, largely through social media.

However, these initiatives rely heavily on the funding from development partners. The heavy reliance of these tools on internet-based interfaces may also benefit young and educated Nigerians but is unlikely to reach the majority of people who are poorly educated and not benefiting from the access to IT and Internet-based technologies.

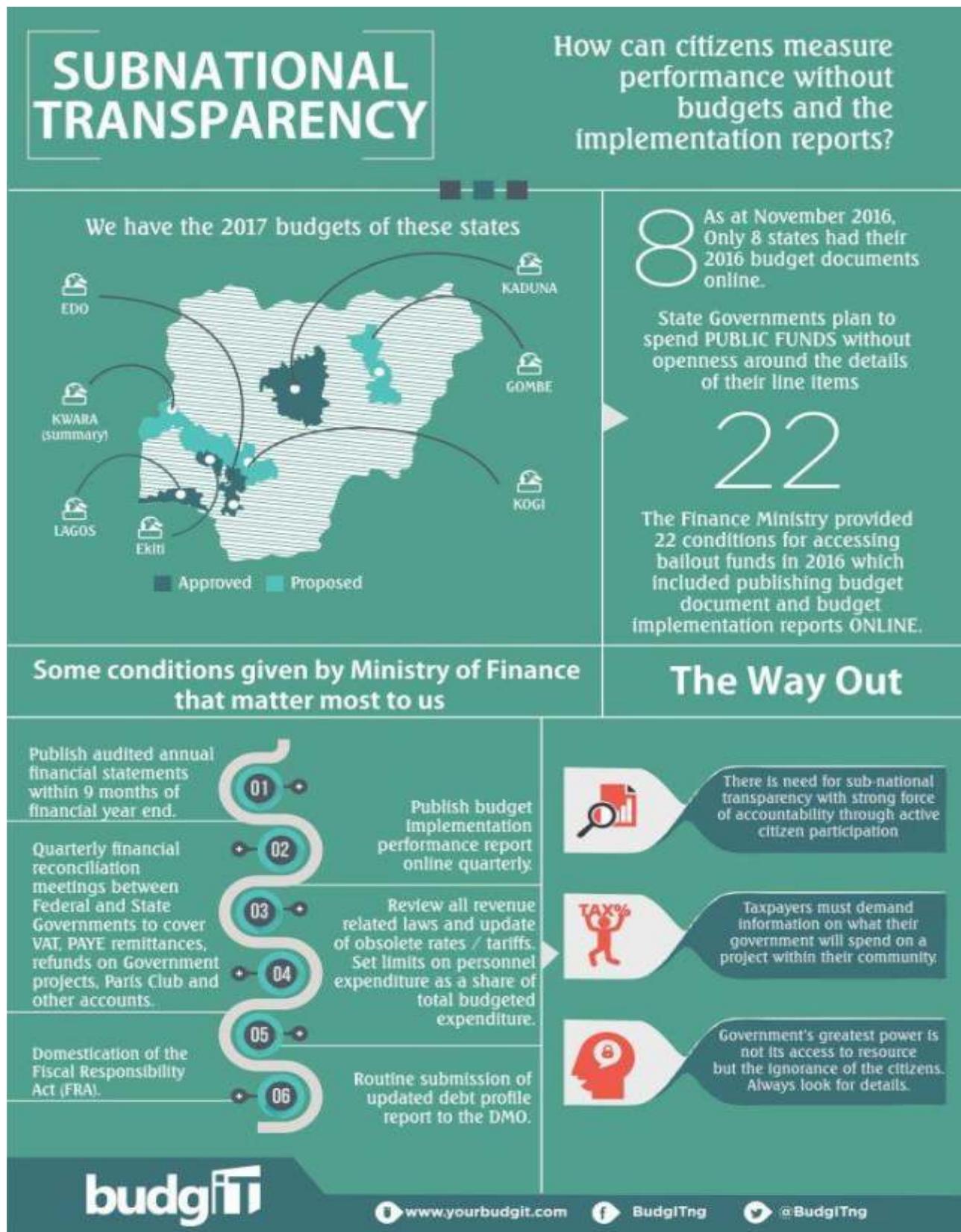


Figure 11: Budgetary Openness Source: BudgIT, 2017

Key Recommendations:

1. *Nigeria needs a fiscal transparency code or a budget law specifying roles for ministries and other stakeholders in the drafting of the budget. Existing laws and regulations include provisions that are contradictory and ambiguous;*
2. *An amended legal framework should provide for public participation in the budget process;*
3. *Available budget information shall be comprehensive on actual spending by government. Fiscal data should be open to the public and be coherent and adequate; and*
4. *Off-budget funds should be open to public audit unless justified otherwise.*

Public Procurement and Government Contracting

Public procurement and government contracting have been a fertile ground for monumental corruption in the public sector. It is noted in a World Bank study from 2011 that “70 percent of Nigerian enterprises pay graft to secure government contracts which are usually worth about 1 to 15 percent of the contract value” (2011, p. 324). It is astonishing that virtually no governmental agency or ministry stays untouched from procurement-related misconduct as the Auditor-General’s 2015 report flawed procurement in 69 Ministries, Departments and Agencies (MDAs), including the Presidency and the National Assembly. In 2009, the World Bank revealed in its Country Procurement Assessment Report that the greatest amount of financial corruption arrives from the nation’s procurement system (World Bank, 2009). Some shocking examples such as the handling of the Petroleum Trust Fund (PTF) established by former President Abacha might have siphoned N135 billion (about 400 million USD) out of the N146 billion rendered to the Fund. Procurement-related flaws included, over-invoicing, over supplies, supplying expired materials, wrong priorities and blatant thievery, etc. (Maduagwu, 2006).

In this context, improving procurement and government contracting has become a quest for national survival. During his election campaigns, President Buhari made it clear that better procurement would pave a way to reducing rampant corruption. Some recent reforms have brought notable improvements in the governmental cash and procurement management. The introduction of the Zero Budget Policy rests on the principle of planning according to needs and costs. This is in contrast to the previous Envelope Budgeting or traditionally incremental budgeting, whereby the planning is based on existing income and expenditure as the deciding factor in national financial planning levels, which often incurs waste and assumes previous costs as constant (World Bank, 1999).

As already mentioned, the Treasury Single Account (TSA) since its introduction in 2015 consolidates all inflows from the Nigerian MDAs. All revenues and expenditures are traceable into a single account at the Central Bank of Nigeria. MDAs no longer operate own budgets. Manipulation of ministerial tenders and bids is therefore harder as overpricing and corresponding higher expenses are more visible under the TSA policy. Most importantly, under this reform, the MDAs do not deal with cash, they are instead forced to use accounts at the Central Bank of Nigeria. The updates on balances are, at least in theory, available daily. The aim of the laudable reform is to centralise and provide full control of all procured funds to the Federal Government’s control mechanisms unlike in the past where decentralised system enabled huge corruption holes in the ministerial and agencies’ expenditures (Central Bank of Nigeria, 2015).

These reforms deliver on Buhari's ambitious fiscal cleaning agenda and lead to the partial clean-up of the deeply flawed procurement systems at the sub-national and federal levels. First, results have shown some benefits despite some operational challenges being encountered in moving liquidity away from commercial banks to the Central Bank of Nigeria (This Day, 2015). The Government hopes to improve the cash management system through the regular and clean monitoring of the cash balances of the MDAs including, the ability to analyse the cash outturn.

The Public Procurement Act, 2007, empowers the Bureau of Public Procurement (BPP) to formulate the general policies and guidelines relating to public sector procurement which also involves the setting of thresholds for sourcing of goods, services and public works. The BPP sets thresholds for bidding separately for MDAs and for the thresholds of Application and for expenditure related to the Nigerian National Petroleum Corporation (Bureau of Public Procurement, 2014). The legal framework requires tender announcements to be published but there is no requirement for the publication of contract awards. Moreover, there is no requirement for bidders to disclose their beneficial owners. In addition, BPP cannot monitor procurement of contracts if they relate to national security. This concerns almost 100% of military and police contracting, which makes the procurement within these sectors closed to checks and balances from BPP or any other competent oversight authority in the civil sector, including the legislators.

The Bureau of Public Procurement (BPP) said in public hearing in 2015 in the National Assembly that the \$470 million contract awarded by the late President Musa Yar'Adua's administration for the procurement and installation of Close Circuit Television (CCTV) in Lagos and Abuja did not follow due process.

The contract for the installation of CCTV Cameras in Abuja and Lagos under the National Public Security Communication System project was not processed at the Bureau of Public Procurement prior to award. In other words, the project was not issued a due process certificate of no objection by the BPP.

Chinese telecom giant, ZTE, which executed the project denied any wrongdoing in the execution as the public asked why no cameras or any other surveillance can be traced. The public hearing came after security agencies could not produce any traces of the movements prior the terrorist attacks in Abuja in 2013-15.

A new Procurement Act is currently being deliberated upon in the Senate and in the House of Representatives. However, there are concerns that the new Act is rather a step back. For instance, it is observed that the proposed payment of 50 per cent mobilisation fees to contractors for huge projects that cannot be completed within one year *"will mean transferring government's funds to private entities to trade with, while the government will be left with nothing to cater for the needs of the people"* according to the World Bank (Naija247, 2017).

The civil society involvement in procurement oversights has been so far rather haphazard and insufficient, given the extent of corruption and waste of public expenditures. A World Bank study from 2014 states that *"the preconditions for accountable citizen-state relations are underdeveloped. In particular, some of the building blocks of transparent and accountable public financial management systems are absent or dysfunctional"* (Budget and Procurement monitoring in Nigeria: Civil Society Perspective, 2014, p.2). The reason is partly due to the fact that despite enactment of the Freedom of Information Act in 2011, many CSOs and other

stakeholders still find challenging to obtain relevant data. Capacity on the side of the CSOs is also an issue. The World Bank has sponsored some initiatives that have provided the necessary training to selected CSOs on the procurement observation and monitoring, dissemination of tools to improve monitoring of public expenditures and strengthen advocacy for improved transparency and accountability (Bank, 2014). However, these interventions are limited in scope and benefit only a few CSOs and rest on exclusively external funding, which may be not sustainable in the long-run.

Nevertheless, to name some positive examples of CSOs' participation in the monitoring of public procurement processes, the Public and Private Development Center compiles since 2014 an index of compliance with procurement regulation by selected governmental institutions (Public & Private Procurement Center, 2017). In 2016, 131 institutions were ranked on good practices in the procurement processes. The Bureau of Public Service Reforms gained the first rank. However, 34 institutions failed in all three categories of pro-active disclosure, responsiveness to request for information and the level of disclosure.

A number of CSOs monitor individual public projects, usually capital-intensive, infrastructure works. An NGO called Acid runs a server (<http://www.antigraft.org/thematic/public-project-monitoring>), where public projects can be tracked from their planning to their implementation. Corruption can also be reported here. However, despite partial successes, there is not much evidence on how these initiatives lead to improvements on the aggregated level. Furthermore, some government ministries are still off-limits to the public scrutiny. This is especially true when huge military budget and military procurement is shrouded in complete secrecy amid an evidence of large-scale graft and procurement flaws (see e.g. Transparency International UK, 2017).

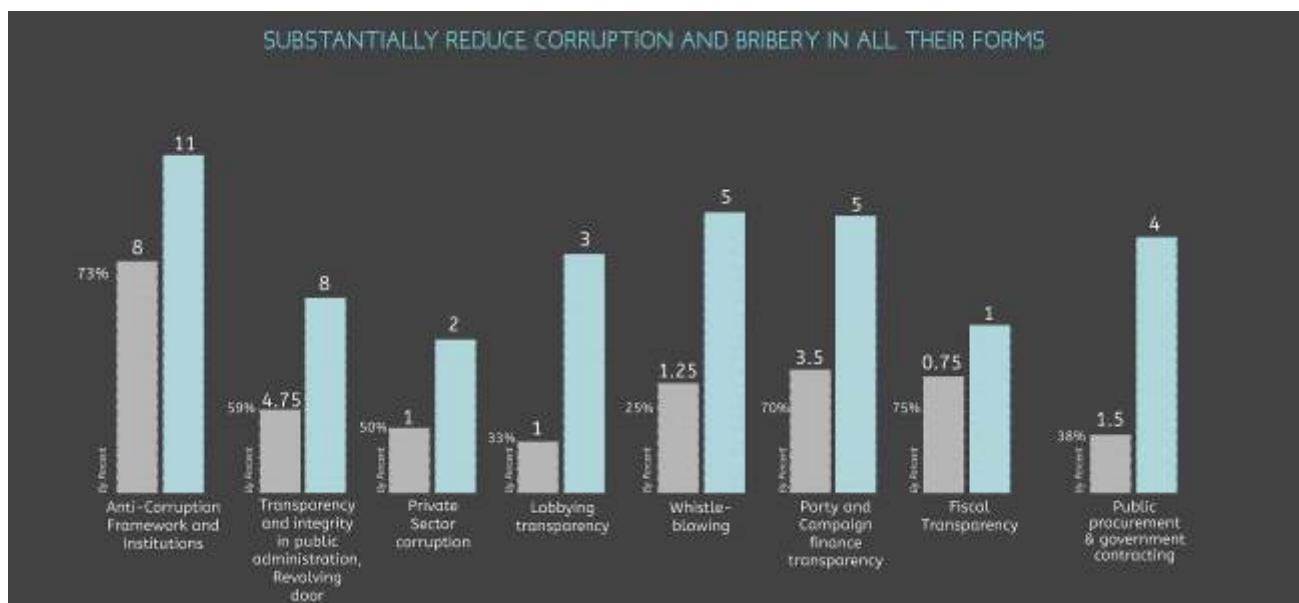
It needs to be said that a lot of progress has been made to improve the legislative and policy procurement framework, especially in the last two years. Important policy reforms, above all the Treasury Single Account eliminated large corruption schemes by centralising government budgets into one single account controlled by the Central Bank. However, the new Public Procurement Act is still being discussed and it is unclear whether the Act will lead to greater transparency of public contracting, especially in the vital petroleum industry. Beneficial ownership of bidders, at least for public projects above certain threshold, must also be enabled to prevent PEPs and others to manipulate illegally public tenders. In addition, it is imperative that the civil society has the financial and technical capacity to oversee public contracting in the view of the questioned ability of the governmental institutions to provide checks and balances.

Key Recommendations to Government

1. *The Public Procurement Act 2007 should be amended to require the publication of public contract awards;*
2. *The Public Procurement Act 2007 should be amended to require the bidders to disclose their beneficial owners; and*
3. *CSOs need to step up their capacity to oversee procurement planning, bidding, tendering and evaluation.*

Progress made under the Target 16.5: Substantially reduce corruption and bribery in all their forms

Policy area	Score reached	Maximum Score	%
<i>Anti-Corruption Framework and Institutions</i>	8	11	73
<i>Transparency and integrity in public administration, Revolving door</i>	4.75	8	59
<i>Private Sector corruption</i>	1	2	50
<i>Lobbying transparency</i>	1	3	33
<i>Whistle-blowing</i>	1.25	5	25
<i>Party and Campaign finance transparency</i>	3.5	5	70
<i>Fiscal transparency</i>	0.75	1	75
<i>Public procurement and government contracting</i>	1.5	4	38



Target 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

Protection of Fundamental Freedoms

According to the Freedom House report on Nigeria in 2017, the country is 'partly free' with the score of 50 out of 100 (Freedom House, 2017). Political rights score was worse (scoring 3 out of 7 points) than civil rights (5 out of 7). The political rating has improved, especially due to increased transparency under the Buhari regime and significant gains against Boko Haram that reduced religious tensions, according to the authors of the study.

Vibrant and numerous media are important in the fight against corruption and holding officials accountable, despite their frequent affiliation to ethnical and religious groupings and individuals. According to the World Press Freedom Index 2017, Nigeria scores 122 out of 180 countries ranked. This has marked an improvement compared to 2016. (Reporters without Borders, 2017). Nigeria has more than 100 independent media outlets and extremely vibrant social media scene. Despite generally free coverage, stories involving politics, terrorism or financial embezzlement can be risky to cover if they are linked to concrete individuals.

Access to Information

Nigeria has enacted the Freedom of Information (FoI) Act in 2011. It took full 12 years to pass the Bill into the law since its first presentation to the National Assembly. Nigeria became only the 97th country to have a law on access to information. The slowness of the process is itself a testimony of the reluctance or unwillingness of public and private officials in Nigeria to disclose any information to the public.

Major highlights of the FoI Act 2011 outline that any Nigerian can apply for access to public records and information without the need to specify the interest of the applicant. Premised on the need for more transparency in public affairs, Section 2, for instance, directs public institutions to provide a detailed description of their corporate profiles, programmes and functions of each division, lists of all classes of records under their control, and related manuals used in administering the institution's programmes (Omotayo, 2015).

Sections 4 & 5 of the Act provide that a public institution must grant access to a request for records or information within a time limit of seven days. The institution also has three days within which to transfer the request to another institution if it discovers that another institution holds custody of the said information/record being sought. In any situation where the information being requested is in a large number, the law provides an extension of additional seven days. If it becomes necessary for a public institution to deny access to a request subject to the provisions of the Act, a written notice must be given and an explanation stating the reasons/grounds why access is denied.

Up until 2011, virtually all governmental business was ranked under various levels of secrecy. Even today, various restrictions are contained in the Criminal Code, the Public Complaints Commission Act, the Penal Code, to name only a few restrictive provisions. Public servants are still made to swear to oath of secrecy when employed. Even crucial national interests such as lucrative contracts with oil, gas and extractive industries, salaries of politicians such as legislators and ownership of companies are shrouded in secrecy. This basic lack of access to public information means that citizens are unable and disillusioned to participate in governance. Journalists and activists are denied access to information that are critical for accurate reporting and unravelling the web of corruption in Nigeria. Students also find themselves bared from reading documents necessary for their research.

Several NGOs and citizens have been trying to use the Act to obtain information from public institutions. Many of these requests end in lawsuits as public institutions are extremely hesitant to go through public scrutiny of any sort. For example, Right To Know (R2K) Nigeria, a CSO, reported to make several requests to public institutions for information pursuant to the Act. In June 2012, R2K made a request for a copy of air crash investigation reports not available on the Accident Investigation Bureau's official website. This request was turned down. There were also requests made to the Attorney General for copies of all the annual FoI compliance reports that had been submitted to that Office and a copy of the annual report submitted by the Attorney General to the National Assembly, also to no avail (Right To Know Nigeria, 2017).

While the legislative provision seems to be sufficient, journalists, activists and the public at large do not utilize the law as they should. The reason is that practical challenges in applying the law make it impossible for an individual to follow a case and break the culture of secrecy. Many legal exemptions constitute a legal impediment. For example, as reported elsewhere in this report, the entire budget of the Ministry of Defence is classified as secret. Even suppliers for purchasing of military uniforms or boots are secret. Secondly, there is a low public awareness on the law as the public believes, and is disillusioned, that public agencies are out of reach for ordinary citizens. Only 17% of respondents in one survey acknowledged they have heard about the FoI Act (Omotayo, 2015). Other practical challenges include, poor bookkeeping and knowledge management within the Government. The fact that there is no public institution such as an Ombudsman or Information Minister which would advocate on the part of the citizens for active or passive information disclosure underscores the operational difficulties. There is no official information available how the FoI Act has been used by the public.

To remedy these shortcomings and tap into the full potential of the law, the culture of openness must be promoted with politicians coming forward and setting examples. The full disclosure of the salaries of the legislators would be a good start. CSOs and other stakeholders should promote the awareness about the law in the public. Explanatory memoranda and briefs should be availed to the interested public and to journalists. Public institutions must be pressurised for ordinary information sharing with the public. Absurd secrecy practices and legal exemptions should be abolished as, for example, in the case of defence budgets where not even lawmakers are made aware about roughly 20% of the budget which goes to the defence sector. All unnecessary legal exemptions should be repealed. The need for an office of a Federal Information Minister or Ombudsman that would be absolutely committed to the enforcement of the FoI Act cannot be

overstated. A publicly known figure with sufficient seniority, respect and power will provide the fundamental leadership that will champion the implementation of the law and would make it possible for the public to turn to a trusted, governmental source championing the official disclosure of the government's business.

Key Recommendations to Government

1. *Improve knowledge management and pro-active information disclosure within MDAs;*
2. *Review classification of secrecy to information whose disclosure could lead to harming national and security interests;*
3. *Establish an office of a Federal Information Minister or Ombudsman mandated with the request of pro-active information disclosure of MDAs to the public;*
4. *Promote public awareness on the existing Freedom of Information Act 2011 amongst the public and the public servants; and*
5. *Champion the culture of data and information openness within the public and private sector.*

Open Government Data

It is to be noted that the openness of governmental data is generally very poor across the entire African continent. In the Open Data Barometer ranking in 2015, Nigeria ranked 5th best, with Kenya and Rwanda leading the index. However, on the global scale, out of the 92 countries scored globally, Nigeria ranked 67th with 14.13 points out of 100. The same survey indicated that the openness of data had made the biggest difference in Nigeria in dimensions of entrepreneurship and business, and in civil rights of citizens. In contrast, the least impact of data openness is felt in social dimension, political dimension and in the accountability cluster (Open Data Barometer, 2017).

These findings are in line with practical experience of the citizens. Despite some improvements in the data openness as witnessed, for instance, in greater openness of the annual budgetary process, the scarcity of data has impeded the ability of the civil society, the public and other stakeholders to hold Government and high public officials accountable.

Some initiatives have been launched, mostly funded by external development partners. Nigeria Data Portal (<http://nigeria.opendataforafrica.org/>) brings together useful information on the national and state levels. Key demographic statistics as well as socio-economic indicators can be looked up and analysed in a friendly format. Another initiative, the Open Government Alliance, a project between the World Bank and the Government of Nigeria, pursues open government initiatives. It aims at providing administrative data as a tool to fighting administrative corruption, increasing public accountability and integrity and increasing innovation in government entities, civil society organizations and small businesses to better exploit increasingly available government data.

There is no single web-based databank deliberately opened for governmental data at the national level, despite the efforts of the previous government to carry out such project through the Ministry of Information Communication Technology with support from DFID and World Bank. Some government agencies and institutions like the National Bureau of the Statistics, Social media experts and CSOs have been using data from these websites to engage citizens to participate in governance and ask questions on economic and social issues and demand for good governance while the local and international business communities as well as investors have been using data published on these websites for production and investment purposes.

The National Bureau of Statistics particularly and the Office of the Auditor General of the Federation, the National Budget Office and the Central Bank of Nigeria (CBN) provide some good examples on accessible data like annual statutory budget, statistics on employment, poverty, economic growth, GDP, inflationary rate and other economic indices on their respective websites. The data on these websites are freely available and accessible in a machine readable format that allows re-use, re-distribution and modification without any restriction.

At the sub-national level, Edo State Government, has taken the lead, through a programme supported by World Bank, by launching an Open Data Portal (ODP) in September, 2013 the first of its kind in Nigeria. For the first time, the state budget, including historical data, was published and made available online for citizens to access. The ODP provides an easy way to access and reuse public datasets from the State Government, with the hope of providing a platform for improving transparency, catalysing innovation and enabling social and economic development (Nigeria Open Government, 2017).

The last nationwide census was administered over 10 years ago in 2006. The update has been a subject of political controversy as a population revision can mean profound change in the headcount of the constituencies, which would imply changes to the electoral system. As a result of the political gridlock, Nigerians can only speculate on the size of their own population.

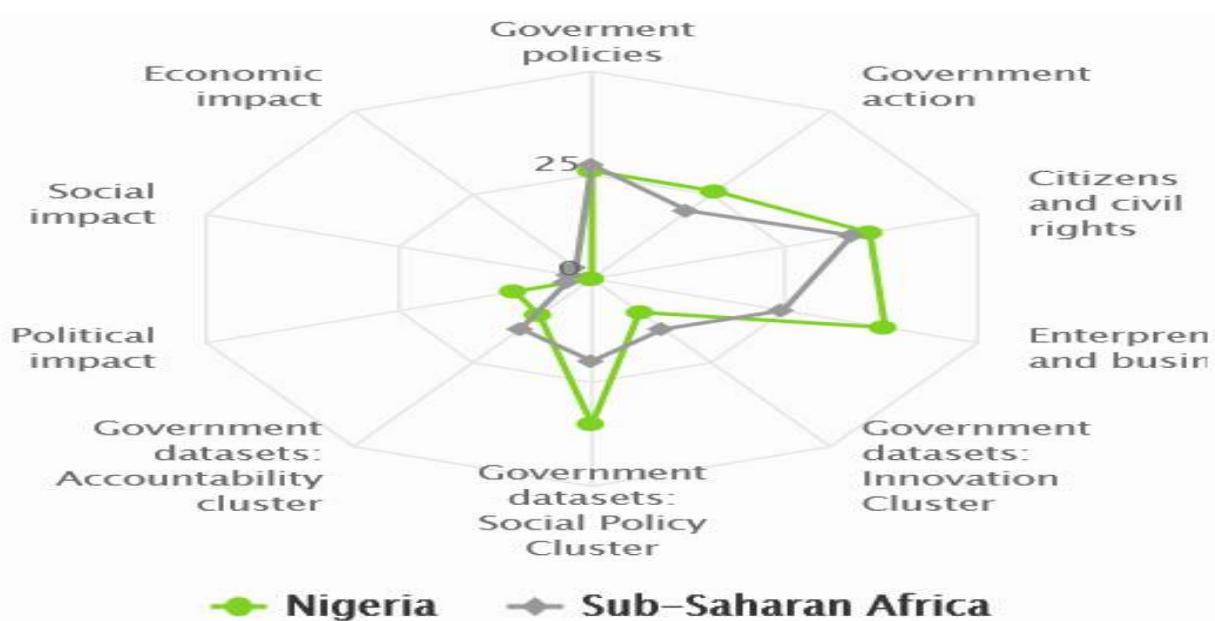


Figure 12: Open Data Index, Nigeria 2015

Given the continental and regional low standard in data openness, Nigeria has been doing relatively well in data accessibility. However, a lot more needs to be done especially, in opening up financial and procurement data. It has also become imperative to provide clear and transparent data on the expenditures at the federal and sub-national level. Nigeria is perhaps a country with some of the highest costs of governance in the world. More than 70 percent of the federal budget is spent on salaries and benefits of one million government officials, leaving very little revenue to improve the welfare of millions of impoverished Nigerians. It is assumed that budgets and governmental audits are not kept transparent intentionally to mask the enrichment of corrupt elites. Greater data openness could profoundly improve the advocacy basis. As the Nigerian public and civil society is becoming increasingly savvy to use technology and analyse data, it is pertinent that government agencies step up their efforts in releasing data to the public. This is especially transparent data from the judiciary, the police, military, Office of the Auditor General and important for agencies such as the Bureau of Public Procurement and Nigeria National Petroleum Corporation in the vital interest of the Nigerian state and the public.

Key Recommendations to Government

- 1) *De-politicize' data gathering and analysis, conduct National Household Census as soon as possible and free of political interference; and*
- 2) *Issue minimum standards of data openness for the Ministries, Departments and Agencies at the national and state levels.*

Progress made under the Target 16.10.

Policy area	Score reached	Maximum score	%
Access to information	4	8	50

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Annex: Scoring

Recent Developments

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved, Light Green (0.75) partly achieved, Yellow (0.5) Some progress, Light Red (0.25) not achieved, Dark Red (0) not achieved at all, White – not available
Has the country adopted a national anti-corruption action plan?	The National harmonized Anticorruption strategy has been adopted in May 2015. The corresponding action plan is being discussed but has not been finalized and presented to the stakeholders and the public.	0.R

Relevant Third party indices scores

Indicator
22 % of respondents state that their government performs "well" at fighting corruption in government, according to Transparency International's 2015 Global Corruption Barometer

Target 16.4: By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime

Anti-money Laundering

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved, Light Green (0.75) partly achieved, Yellow (0.5) Some progress, Light Red (0.25) not achieved, Dark Red (0) not achieved at all, White – not available
Has the country adopted a law to criminalize money laundering in line with recommendation P of the cATC?	To some extent yes. Anti-corruption strategies received traction in the two bills that President Muhammadu Buhari forwarded to the National Assembly in April 2015. The two Bills are the Money Laundering Prevention and Prohibition Bill 2015 and the Mutual Legal Assistance in Criminal Matters Bill 2015. These bills, once enacted into law, should make Nigeria in compliance with cATC provisions.	0.R
Has the government during the last three years conducted an assessment of the money laundering risks related to legal persons and arrangements in line with Principle 2 of TI's "Just for Show?" report? Has the final risk assessment been published?	Nigeria did not produce a general assessment. Nigeria conducted onsite examinations on RR Capital market Operators ECAPITAL market Operators with multiple functions EOIFI Broker dealers with issues on money laundering of funds ETIFI Trustees ETIFI registrars E4IFI rating Agencies ERIFI Investment Advisers EPIFI and issuing houses ENIFI. Examinations were aimed at assessing compliance with AML/CFT provisions. The CFTC carried out enforcement action for Non-compliance of quarterly returns on PP Broker dealers S issuing houses and N registrars and enforcement action for Negative shareholders funds on P Broker dealers and N Trustee firm. However, no general risk assessment has been carried out up to date.	0
Are financial institutions prohibited by law from keeping anonymous accounts and are they required to undertake due diligence on their customers in line with cATC recommendation N0?	Banks are required to issue a Bank Identification Number for every customer for which biometric data is collected as well as extensive check of permanent residency of a client and his banking history. This is part of the Know Your Customer policy.	N

Are financial institutions required by law to inform relevant authorities when they suspect (or have reasonable grounds to suspect) that funds are the proceeds of criminal activity, in line with FATF recommendation 20?	The Central Bank of Nigeria (Anti-money Laundering and Combating the Financing of Terrorism in Banks and Other Financial Institutions in Nigeria) Regulations requires the filing of Suspicious Transaction Reports, STR to relevant agencies	1
Are designated non-financial businesses and professions (DNFBPs) – casinos, real estate agents, jewellers, lawyers, notaries, other legal professionals, accountants, and trust and company service providers – required to carry out customer due diligence, to keep records, and to report suspicious transactions to the financial intelligence unit, in line with FATF recommendations 22 and 23?	The Anti-Money laundering/Combating the Financing of Terrorism (AML/CFT) Regulations for Designated Non- Financial Businesses and Professions mandates all DNFBPs to carry out CDD, keep records and file reports accordingly to the Special Conduit Unit on Money Laundering, SCUML of the EFCC. The Regulation is in pursuit of the EFCC enabling law and so has the force of law. Although a judicial pronouncement recently exempted the members of the legal provision, efforts are ongoing to clear all legal hurdles while other DNFBPs continue to apply to members of the accounting professional bodies like ICAN, establishing an internal frameworks for members to comply	1
Does the law require financial institutions to conduct enhanced due diligence in cases where the customer or the beneficial owner is a PEP (politically exposed person) or a family member or close associate of a PEP?	The Central Bank of Nigeria (Anti-money Laundering and Combating the Financing of Terrorism in Banks and Other Financial Institutions in Nigeria) Regulations mandates this.	1
Does the law require enhanced due diligence by DNFBPs in cases where the customer or the beneficial owner is a PEP or a family member or close associate of the PEP?	The Anti-Money laundering/Combating The Financing of Terrorism (AML/CFT) Regulations for Designated Non- Financial Businesses and Professions mandates all DNFBPs to enhance due diligence	1
Has the country signed the multilateral competent authority agreement on the exchange of country-by-country reports on key indicators of multinational enterprise groups?	Yes, 1 January 2017	1
Has the country signed the competent authority multinational agreement on automatic exchange of financial account information?	No	0
How is the jurisdiction's performance on the exchange of information for tax purposes on request assessed by the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes?	Nigeria's progress has been assessed as largely compliant according to OECD ¹¹	0.75

Relevant Third Party Assessments

Indicator
Nigeria was scored by the Basel Institute Index on Governance's Basel Anti-money laundering countries in 2016, source: https://index.baselgovernance.org/ranking 32nd out of 149 (best)
According to Global Financial Integrity, Nigeria's estimated illicit financial outflow of funds amounted to 26 735 000 000 USD in 2013 , http://www.gfiintegrity.org/issues/data-by-country

¹¹ <http://www.oecd.org/tax/transparency/exchange-of-information-on-request/ratings/#d.en.342263>

Beneficial Ownership Transparency

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved, Light Green (0.75) partly achieved, Yellow (0.5) Some progress, Light Red (0.25) not achieved, Dark Red (0) not achieved at all, White – not available
To what extent does the law in your country clearly define beneficial ownership?	The companies and allied matters act provides for public quoted companies to disclose the beneficial owners of such companies but this did not substantially include the private quoted companies ECAjA section 94 C 9RF This Act has been undergoing review to include private quoted companies to mandatorily disclose their beneficial owners.	0.R
Does the law require that financial institutions have procedures for identifying the beneficial ownerEsF when establishing a business relationship with a client?	The know your customer EhvCF policy has been in force according to the central Bank of Nigeria regulations on the financial institutions which mandates them to monitor transactions with clients and also report to antiJgraft agencies when the transaction exceeds a particular limit and also presently the enforcement of the use of the Bank serification Number EBsNF has further strengthened disclosure of parties in any financial transaction ¹² .	0.5
Does the law specify which competent authorities (e.g. financial intelligence unit, tax authorities, public prosecutors, anti-corruption agencies, etc.) have access to beneficial ownership information?	Yes, the Act that sets up the Economic Financial Crimes Commission gave them the full right to access information on beneficial owners and also to interfere in transactions that are considered not credible, presently there is a bill in the floor of the legislature seeking to establish the National Financial intelligence unit to be an independent commission out of EFCC. Also the Federal Inland Revenue Services (FIRS), NAFIU, and EFCC is forming a joint task force on monitoring financial transactions ¹³ .	1
Which information sources are competent authorities allowed to access for beneficial ownership information?	EFCC, Ministry of Finance and Police Financial Task Force have access to information maintained by legal entities / or information recorded by tax agencies/ or information obtained by financial institutions and DNFBPs. There is however no central registry and the cooperation of competent institutions is questionable.	0.5
What information on beneficial ownership is recorded in the company registry?	The registry is yet to be established, the content is not yet public but there is a call for memoranda from the public to make input on the content of the register.	0
What information on beneficial ownership is made available to the public?	By the time the register is established it will be a public document accessible to all but some information that are discreet will only be accessed by the relevant authorities that are authorized to access such.	0
Does the law require legal entities to update information on beneficial ownership, shareholders, and directors provided in the company registry?	There may not be an explicit instruction for the legal officers to constantly update the information on the beneficial ownership of an entity but part IV of the companies and Allied Matters Act (CAMA) provides for conditions that will enable the update of the beneficial ownership information on any public quoted entity. (CAMA Section 79 - 98)	0.25

¹²<https://www.cbn.gov.ng/out/2012/ccd/cbn%20approved%20framework.pdf>

<https://www.cbn.gov.ng/out/2012/ccd/gazetted%20amendment%20to%20cbn%20aml%20cft%20reg%202009.pdf>

¹³<http://firs.gov.ng/Media-Centre/Pages/FIRS,-EFCC-TO-LAUNCH-ANTI-TAX-FRAUD-TEAM.aspx>

Is there a registry which collects information on trusts?	There is no comprehensive register in existence as to date but there are piece meal practices by relevant agencies and this needs to be harmonized in one document and practice.	0
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Relevant Third Party Assessments

Indicator
Nigeria's score in the Open Company Data Index produced by Open Corporates is 0 out of 100 points http://registries.opencorporates.com

Recovery of Stolen Assets

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved , Light Green (0.75) partly achieved , Yellow (0.5) Some progress , Light Red (0.25) not achieved , Dark Red (0) not achieved at all , White – not available
Does the country have a specific asset recovery policy?	Nigeria has made commitments of adopting some important asset recovery policies such as establishing a public central register of company beneficial ownership information. Also within the bcCC Actl there is provision for stolen assets recovery clause. There is no specific asset recovery policy.	0.R
Does the country established a wide range of asset recovery mechanisms including aF measures that allow for the seizure and confiscation of proceeds from money laundering without requiring a criminal conviction End/ conviction based confiscationFl bF a policy that requires an offender to demonstrate that the assets were acquired lawfullyl and cF the recognition/enforceability of foreign non-conviction based confiscation/forfeiture orders?	Acquisition of property by illegal means can be sanctioned through forfeiture or confiscationl including in cases where the culprit is not convicted of the crime. curthermorel any public officer who controls a foreign account in violation of item PI Rth pchdule to the Constitution of Nigeria N999 should forfeit the funds in that account to his or her home governmentl unless he can show that he opened the account lawfully with the authorization of his government or as an international civil servant or otherwise in a lawful foreign emolument and that the money in the account represents his remuneration from his foreign employment. There have been instances of using plea bargain to recover assets without conviction such as the case between dabriel fgbinedion and the pstate.	0.R
Does the country created a specialized asset recovery team or unit?	The bcCC law makes room for recovery of stolen wealth but does not specifically creates a framework for sufficient political independence and resources for it to fully handle this. There is no asset recovery unit in Nigeria.	0

Fight against Organized Crime

Relevant Third Party Assessments

Indicator
Nigeria's score in the Fragile State Index is 13 out of 178 countries ranked in 2017, source: <i>The Fund for Peace</i> , http://fundforpeace.org/fsi/country-data/
72% Nigerians think that Police is corrupt, according to the Global Corruption Barometer, 2015, source: <i>Transparency International</i> https://www.transparency.org/research/gcb/gcb_2015_16

Arms Trafficking

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved, Light Green (0.75) partly achieved, Yellow (0.5) Some progress, Light Red (0.25) not achieved, Dark Red (0) not achieved at all, White – not available
Has the country ratified the Protocol against the Illicit Manufacturing of and Trafficking in Firearms Their parts and Components and Ammunitionl supplementing the United Nations Convention against Transnational Organized Crime?	Nigeria has signed the treaty in 2009 and ratified on the 1st of March 2009	N
Has the country signed and ratified the Arms Trade Treaty (ATT)?	Nigeria signed and ratified on the 10th of August 2014, however there is evidence of shortcomings in compliance with the treaty's anti-corruption provisions	N

Relevant Third Party Assessments

Indicator
Nigeria imports 4.6% of weapons in Africa, making it the 3rd biggest importer of weapons on the continent between 2012-16 according to the Stockholm International Peace Research Institute (SIPRI) index 2016, https://www.sipri.org/sites/default/files/Trends-in-international-arms-transfers-2016.pdf
Nigeria receives 70% of 500 million illicit weapons in Africa according to United Nations Regional Centre for Peace and Disarmament in Africa (UNREC)
Nigeria scores 149th out of 163 countries in 2017 in the Global Peace Index, source: <i>Vision of Humanity</i> http://visionofhumanity.org/indexes/global-peace-index/
Nigeria scores as the 3rd worst country (out of 163 countries) in 2017 in the Global Terrorism Index, source: <i>Vision of Humanity</i> http://visionofhumanity.org/indexes/global-peace-index/

Target 16.5: Substantially reduce corruption and bribery in all their forms

Experience and Perceptions of Corruption

Relevant Third Party Assessments

Indicator
43 % of respondents in Nigeria state that they or a member of their household made an unofficial payment or gift when coming into contact with public services over the past 12 months, according to Transparency International's 2015 Global Corruption Barometer or similar national surveys
78% of respondents state that their government performs "badly" at fighting corruption in government, according to Transparency International's 2015 Global Corruption Barometer
In Transparency International's Corruption Perceptions Index, Nigeria scored 28 points in 2016, 26 (2015), 27 (2014), 25 (2013), 27 (2012) .

Anti-Corruption Framework and Institutions

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved, Light Green (0.75) partly achieved, Yellow (0.5) Some progress, Light Red (0.25) not achieved, Dark Red (0) not achieved at all, White – not available
Is Active bribery of domestic public officials clearly banned by criminal law in line with Art. NREaF of rNCAC ?	The criminal code and the fCmC Act bans bribery and clearly defines it as an offence and crime. The Code of Conduct provisions also addresses this in principle.	N
Is passive bribery of domestic public officials clearly banned by criminal law in line with Art. NREbF of rNCAC ?	The criminal code and the the independent Corrupt Practices Commission fCmC Act bans bribery and clearly defines it as an offense and crime.	N
Is embezzlement/ misappropriation or other diversion of property by a public official clearly banned by criminal law in line with Art. NT of rNCAC scoring	The criminal code fCmC Act/ bcCC Act has some Civil service rules ban it but the definition is not explicit.	0.R
Is trading in influence clearly banned by criminal law in line with Art. N8 of rNCAC	Nigeria has not comprehensively criminalized trading in influence but adopted relevant measures in sections NTI N91 ON and OOI fCmC Act. Code of conduct provisions calls it a conflict of interest but the provision is not clear in definitions	0.R
Is abuse of functions clearly banned by criminal law in line with Art. N9?	Code of conduct provisions calls it a conflict of interest but the provision is not clear in definitions. The criminal law includes some provisions in regards to abuse of functions but the legal text is not sufficiently explicit.	0.R
Is illicit enrichment clearly banned by criminal law in line with Art. O0 of rNCAC ?	The law simply refers to it as fraud in the aforementioned laws but there are shortcomings in definition. Section 44EOF fCmC Act establishes a rebuttable presumption of illicit enrichment under powers to obtain information by the fCmC Chairman. The failure to declare assets is also an offence.	0.R
Is Bribery in the private sector clearly banned by criminal law in line with Art. ON of rNCAC	According to section 4PP in the criminal code any person who corruptly receives or obtains or corruptly agrees to receive or obtain any property or benefit. The definition has shortcomings.	0.R
Is embezzlement of property in the private sector clearly banned by criminal law in line with Art. OO	Treated as a crime under the criminal code/ criminal breach of trust and banned. However there are shortcomings in the definition.	0.R
Is laundering the proceeds of crime clearly banned by criminal law in line with Art. OP	The offence is clearly banned under the anti-money laundering regulations pursuant to the bcCC law with a Proceed of Crime bill currently before the legislature	N
Is concealment clearly banned by criminal law in line with Art. O4 of rNCAC	The criminal code Act/ the bcCC Act and the fCmC bans concealment and defines it.	N
Is obstruction of justice clearly banned by criminal law in line with Art. OR of rNCAC	The criminal code Act/ the bcCC Act and the fCmC bans obstruction and defines it. Sections NOS and NPPI Criminal Code cover wrongful interference with or influencing witnesses in judicial proceedings.	N

Transparency and Integrity in Public Administration, Revolving Door

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved, Light Green (0.75) partly achieved, Yellow (0.5) Some progress, Light Red (0.25) not achieved, Dark Red (0) not achieved at all, White – not available
Conduct in place covering public officials/ employees and representatives of the national government that adequately addresses the following issues a. integrity/ fairness/ and impartiality; b. gifts/ benefits/ and hospitality; and c. conflicts of interest? scoring	<p>Code of Conduct Bureau under the mresidentDs office is responsible for enforcing robust laws and provisions regulating conflicts of interests and integrity.</p> <p>The Code of Conduct for public lfficers listed in the fifth pchedule of the N999 Constitution as amendedl mart NI paragraphs issues of breach of integrity/ receiving of gifts and benefits and the conflict of interests.</p> <p>The definition dealing with Conflict of fnterest is not sufficient and adequate.</p>	0.TR
Is there a law or clear policy in place to address the „revolving door“ ¹⁴ ? – the movement of individuals between public office and private sector while working on the same sector or issue which may result in conflicts of interest and in former public officials misusing the information and power they hold to benefit private interests?	<p>Yes! under the Code of Conduct Bureau policy! Code 4 stipulates that mprohibition of oetired public lfficers from accepting more than one remuneration position JA public officer shall notl after his retirement from public service and while receiving pension from public funds! accept more than one remunerative position as Chairmanl airector or employee of J EaF a company owned or controlled by the government; or EbF any public authority.</p> <p>A retired public servant shall not receive any other remuneration from public funds in addition to his pension and the emolument of such one remunerative position.</p>	N
Does the law or policy that addresses the „revolving door“ cover all relevant publicJ sector decisionJmakers?	<p>Yes! the Code of Conduct policy covers all public lfficers listed in the fifth pchedule of the N999 Constitution as amendedl mart NI paragraphs N to N4. There are no restrictions on what type of position a former public official can accept in the private sector.</p>	0.R
Is there a mandatory cooling off period – a minimum time interval restricting former officials from accepting employment in the private sector that relates to their former position – for members of the government and other relevant highJlevel decisionJmakers?	<p>There is no cooling off period</p>	0
Is there a single public body or are there designated authorities responsible for providing advice and overseeing „revolving door“ regulations?	<p>The Code of Conduct Bureau and Tribunal Act Chapter R8 icN N990 gave the Bureau the mandate to establish and maintain a high standard of public morality in the conduct of government business and to ensure that the actions and behaviour of public officers conform to the highest standards of public morality and accountability.</p> <p>However! there is no provision in principle on the employment limitations after the retirement.</p>	0

¹⁴ 'Revolving door' policy refers to the movement of individuals between positions of public office and jobs in the same sector in the private or voluntary sector, in either direction. If not properly regulated, it can be open to abuse. A cooling off period is the minimum time required between switching from the public to the private sector intended to discourage the practice and minimise its impact (Transparency International, 2015).

Are there proportionate and dissuasive sanctions for both individuals and companies that do not comply with the law or policy controlling the „revolving door??	No	0
Do the interest disclosure requirements cover officials of all branches of government – executive, the legislature, the judiciary, and civil service as well as other relevant public bodies?	Formally yes. However, the checks conducted by the Code of Conduct Bureau are rudimentary and inefficient. Mere existence of the legal provision in this case does not offer basis for implementation.	0.5
Do the income and asset disclosure requirements cover officials of all branches of government –executive, the legislature, the judiciary, and civil service as well as other relevant public bodies?	Asset disclosures are required from all public officials as defined in the Fifth Schedule of the 1999 Constitution as amended, Part 1	1
Does the framework require that information contained in income and asset declarations be made publicly accessible?	The Constitution of the Federal Republic of Nigeria (1999) and the Code of Conduct Bureau and Tribunal Act only give the bureau powers to receive assets declarations, verify, examine, keep in custody and enforce compliance when there is a breach. Declarations are not made public by Law.	0
Does the legal framework establish an oversight body that is provided with sufficient political independence and legal powers to scrutinize income and asset disclosures?	The sanctions in place de jure are not enforced nor do they serve as a deterrent of falls practices.	0.5
Does the law or policy contain dissuasive and proportionate sanctions for failure to comply with interest and asset disclosure requirements?	The Code of Conduct Bureau and Tribunal Act outlines sanctions but they are neither dissuasive nor proportionate.	0.5

Private Sector Corruption

Indicator	Comment	Scoring : Dark Green (1) fully achieved , Light Green (0.75) partly achieved , Yellow (0.5) Some progress , Light Red (0.25) not achieved , Dark Red (0) not achieved at all , White – not available
Is it a criminal offence under the country's laws to bribe a foreign public official?	Under the competition laws there are vague definitions of bribery of foreign officials. No explicit law prohibits or sanctions bribery of a foreign public official	0
Does the country's legal framework prohibit collusion?	There have been nine bills so far presented at the National Assembly in a bid to create a legal framework for competition in Nigeria. The „Federal Competition Bill, 2002? an executive bill drafted by the Nigerian Bureau of public enterprises EBmbF. According to relevant sections of the bill cartel agreements amongst competitorsl including price fixingl bid rigging and market divisionl were also to be expressly criminalized. NS years after introduction to the Nigerian National Assemblyl the Bill was finally approved by the eouse of representatives and the penate in gunel OONT.	N

Lobbying Transparency

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved, Light Green (0.75) partly achieved, Yellow (0.5) Some progress, Light Red (0.25) not achieved, Dark Red (0) not achieved at all, White – not available
Is there a law or policy that sets a framework for lobbyists and lobbying activities?	There is no such law but Bill for an Act for the regulation and registration of lobbyists has been passed through the senate in OONS	0.R
Is the definition of EiF lobbyists/ EiiF lobbying targets/ EiiiF lobbying activities clear and unambiguous? This is covered by the definition Econsultant lobbyists/inhouse lobbyists/anybody engaging in lobbying activities?	No legislative framework at the moment but it would be addressed in the Act for the regulation and registration of lobbyists	0.R
Is there a mandatory lobbying register? Do disclosure requirements provide sufficient and relevant information on key aspects of lobbying and lobbyists/ such as its objective/ beneficiaries/ funding sources/ and targets?	There is no lobbying register	0

Whistle-blowing

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved, Light Green (0.75) partly achieved, Yellow (0.5) Some progress, Light Red (0.25) not achieved, Dark Red (0) not achieved at all, White – not available
Is there a legal framework to protect whistleblowers from the public and the private sector who report reasonable belief of wrongdoing?	Presently Nigeria does not have a law that provides protection for whistleblowers but a policy instead. Although the policy is designed to deal with any concern raised in relation to specific issues which are in the public interest, the policy does not apply to personal grievances concerning private contracts/ complaints of bullying or harassment/ or disciplinary matters. The policy is unable to provide protection to the whistleblower as would have been provided by the proposed whistleblowers protection Act. The Whistleblowers Bill passed Ond reading in the senate in October OONS.	0
Does the law provide for a broad definition of whistleblowing?	Nigeria does not have a law on whistleblowers protection. The policy does not contain a definition of whistleblowing.	0
Does the law provide sufficient protection for whistleblowers?	The policy states that the investigation unit will ensure that any whistleblower who makes a disclosure in such circumstances as referred to in sections P and 4 Esee attachment NF will not be penalized or suffer adverse treatment. The policy also states that the identity of the whistleblower will be kept confidential. Anonymous complaints will also be covered by the policy. The policy does not mention the burden of proof on the employer/ and no provision for disclosure to third parties like the media or civil society.	0.R

Does the law provide for adequate disclosure procedures?	The policy does not provide disclosure procedures	0
Is there a law/policy that establishes a dedicated reporting mechanism for witnesses and victims of corruption (such as a hotline or a secure and anonymous electronic post box)? Does the law provide the body charged with operating it with sufficient independence and powers to investigate the reports it receives?	The Federal Ministry of Finance set up an Investigation Unit that is dedicated specifically for the purpose of the whistle blowing. There is an online portal that the whistle blower fills online to draw attention or raise concern. It is however unclear if the website is encrypted and if it is frequently used.	0.75

Party and Campaign Finance Transparency

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved, Light Green (0.75) partly achieved, Yellow (0.5) Some progress, Light Red (0.25) not achieved, Dark Red (0) not achieved at all, White – not available
Is there a legal framework regulating the financing of political parties and the finances of candidates running for elected office?	The electoral Act OON0. The legal framework is quite elaborate. However the enforcement is weak.	N
Are political parties and individual candidates running for elected office required to disclose financial statements for their campaigns detailing itemized income and expenditure as well as individual donors to their campaign finances?	According to the electoral Act OON01 Article 9PI political parties have to itemize all donations and disclose to the independent Nigerian electoral Commission. However there are frequent breaches to the law which are not sanctioned	0.0R
Are political parties and if applicable individual candidates running for elected office required to disclose annual accounts with itemized income and expenditure and individual donors?	According to the electoral Act OON01 Article 9OI political parties are required to itemize income and expenditures of individual donors	N
Are parties? (and, if applicable, candidates?) electoral campaign expenditures subject to independent scrutiny?	In theory yes! according to the electoral Act OON01 Article 9PI political parties have to itemize all expenditures and disclose to the independent Nigerian electoral Commission. However there are frequent breaches to the law which are not sanctioned	0.0R
Are the annual accounts of political parties and if applicable of candidates subject to independent scrutiny?	In theory yes. The independent National election Commission has the powers to scrutinize financial statements of the parties. However the independence, diligence and capacity are inadequate provided that the system of patronage is omnipresent in the political system in Nigeria.	N

Relevant Third Party Assessments

Indicator
According to the Money Politics and Transparency assessment produced by Global Integrity (https://data.moneypoliticstransparency.org/), Nigeria scored 45 in law (100 max) and 17 (100 max) in practice

Fiscal Transparency

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved , Light Green (0.75) partly achieved , Yellow (0.5) Some progress , Light Red (0.25) not achieved , Dark Red (0) not achieved at all , White – not available
Is there legislation or policy in place requiring a high degree of fiscal transparency?	The legislation is largely in place accompanied by sector policies. Implementation is in storing discord with the legal/ policy framework.	0.TR

relevant Third party Assessments

Indicator
According to the Open Budget Index 2015, Nigeria scored 22 points out of 100 , International Budget Partnership (http://www.internationalbudget.org/opening-budgets/open-budget-initiative/open-budget-survey/update/#2016-country-results)

Public Procurement and Government Contracting

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved , Light Green (0.75) partly achieved , Yellow (0.5) Some progress , Light Red (0.25) not achieved , Dark Red (0) not achieved at all , White – not available
Does the law clearly define up to what threshold sole sourced purchases of goods/ services and public works are allowed?	The public procurement Act 2007 empowers the Bureau of public procurement to formulate the general policies and guidelines relating to public sector procurement which also involves the setting of thresholds for sole sourcing of goods/ services and public works	0.TR
Are there exceptions in the legal framework for public procurement that allow for sole sourced contracting above these thresholds?	The provision of the 2007 Act that sole sourcing could be used for certain emergencies could be misused as procuring entities may wish not to be proactive in procuring rather waiting for emergencies to occur to avoid properly going through the laid down procurement processes	0.TR
Does the legal framework require that information on public procurement above certain thresholds be published?	The legal framework requires tender announcements to be published but there is no requirement for the publication of contract awards	0
Are bidders required to disclose their beneficial owners?	There is no requirement for bidders to disclose their beneficial owners	0

Target 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

Protection Of Fundamental Freedoms

Relevant Third Party Assessments

Indicator
According to the rating of Freedom House's Freedom in the World Rating, Nigeria scored in 2016 50 points out of 100, ranking Nigeria as partly free. molitical rights scored P points out of TI whereas civil liberties R out of T.
According to the World Press Freedom Index, issued by Reporters Without Borders, Nigeria ranked 122nd position in the 2017 ranking. This was a decline from the 116th position the country occupied when the 2016 survey was conducted, ad development seen as worrisome by analysts.

Access to Information

Legislative Scorecard Result

Indicator	Comment	Scoring : Dark Green (1) fully achieved, Light Green (0.75) partly achieved, Yellow (0.5) Some progress, Light Red (0.25) not achieved, Dark Red (0) not achieved at all, White – not available
Does the legal framework including jurisprudence recognize a fundamental right of access to information?	Yes through the freedom of information Act 200NN	N
Does the right of access to information apply to all materials held by or on behalf of public authorities in any format regardless of who produced it?	Especially the security and defence sector is out of reach of the legal provision for access to information.	0.R
To which branches and bodies does the right of access apply	The access to information applies to IF the executive branch; OF the legislature; PF the judicial branch	0.R
Are there clear and reasonable maximum timelines for responding to a request regardless of the manner of satisfying the request?	sections 4 C R of the Act provides that a public institution must grant access to a request for records or information within a time limit of seven days. The institution also has three days within which to transfer the request to another institution if it discovers that another institution holds custody of the said information/record being sought. In any situation where the information being requested is in a large number the law provides an extension of an additional seven days. If it becomes necessary for a public institution to deny access to a request subject to the provisions of the Act a written notice must be given and an explanation stating the reasons/grounds why access is denied.	N
Are exceptions to the right of access consistent with international standards No points and then deduct 1 point for each exception which either EaF falls outside of this list and/or EbF is more broadly framed	There are noticeable exceptions for defence and security sector and extractive industries. Also the classification of „public? documents does not include asset declarations of elected politicians e.g.	0.R
Is a harm test applied to all exceptions so that disclosure may only be refused when it poses a risk of actual harm to a protected interest?	Not all military and police budgets are by default secret and not accessible to public for example. No effective harm test is performed.	0

Is there a mandatory public interest override so that information must be disclosed where this is in the overall public interest, even if this may harm a protected interest? Are there „hard? overrides (which apply absolutely), for example for information about human rights, corruption or crimes against humanity?	Although it can be abused, public interest takes precedence	1
Is there an independent Information Commission, or a similar oversight body, with whom requestors have the right to lodge an external appeal?	No such institution is in place	0
Does the law/policy on access to information contain minimum standards on mandatory proactive (automatic, without having to be requested) publication of information?	No minimum standards on proactive publication are contained in the Freedom of Information Act 2011	0

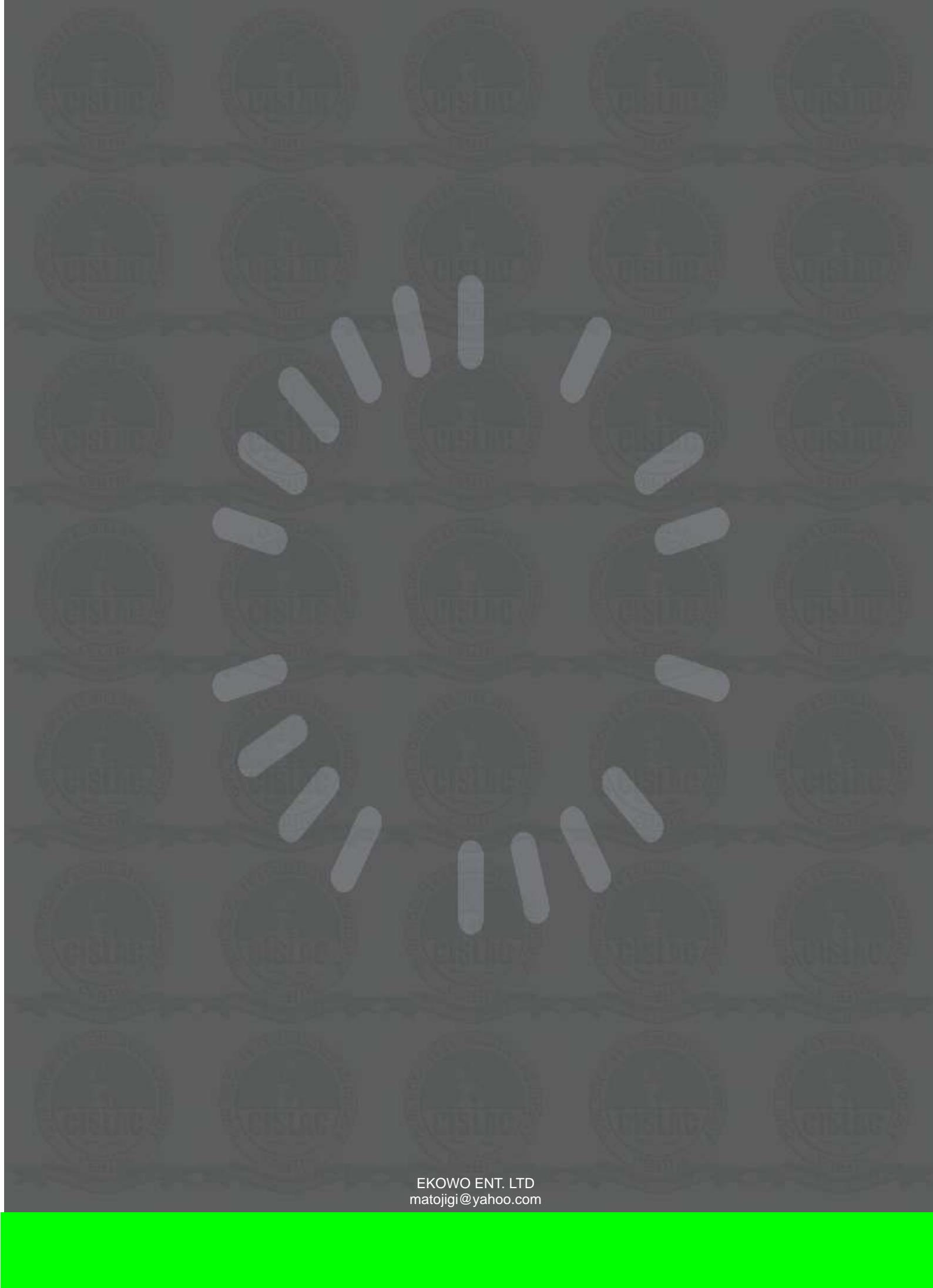
Relevant Third Party Assessments

Indicator
According to the Right-To-Information Rating in the last available year 2011, Nigeria scores 53 out of 111. http://www.rti-rating.org/view_country

Open Government Data

Relevant Third Party Assessments

Indicator
According to the Open Data Barometer, produced by the World Wide Web Foundation, Nigeria reached 14.13 point out of 100 in 2015



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