COMPENDIUM ON LESSONS LEARNED AND BEST PRACTICES FROM NIGERIA'S ANTI-CORRUPTION EFFORTS: 2015 - 2023

Edited By
Juliet IBEKAKU-NWAGWU

COMPENDIUM ON LESSONS LEARNED AND BEST PRACTICES FROM NIGERIA'S ANTI-CORRUPTION EFFORTS: 2015-2023

Edited By
Juliet IBEKAKU-NWAGWU

AFRICAN CENTER FOR GOVERNANCE, ASSET RECOVERY AND SUSTAINABLE DEVELOPMENT

MacArthur Foundation

COMPENDIUM ON
LESSONS LEARNED AND BEST PRACTICES
FROM NIGERIA'S ANTI-CORRUPTION EFFORTS:
2015 TO 2023

@ MacArthur Foundation and African Center for Governance, Asset Recovery and Sustainable Development.

All rights reserved. No part of this publication may be reproduced or transmitted, transcribed, stored in retrieval system, or translated into any language or computer language in any form or by any means, electronic, mechanical, magnetic, chemical, photocopying, recording, manual or otherwise without the written permission of the copyright holder, MacArthur Foundation and the African Center for Governance, Asset Recovery and Sustainable Development, Wuse II, Abuja. Email: Info@africancenterdev.org

National Library of Nigeria Cataloguing in Publication Data

ISBN: 978-978-788-714-1

Published 2024

Printed by
Nigerian Institute of Advanced Legal Studies,
Supreme Court Complex,
Three Arms Zone,
Abuja

ACKNOWLEDGMENT

The African Center wishes to express gratitude to the Director, MacArthur Foundation, Dr. Kole Shettima, and the MacArthur Foundation for their generosity in funding the drafting of this compendium.

This Compendium is a product of the African Center for Governance, Asset Recovery, and Sustainable Development (the African Center). It was developed in line with its thematic programs on Governance and Sustainable Development Goals (SDGs).

The African Center wishes to thank the following for their substantive contribution to the drafting of this Compendium: Mrs. Juliet Ibekaku-Nwagwu, Former Special Assistant to President Buhari on Justice Sector Reform and International Relation, and Executive Director, African Center for Governance, Asset Recovery and Sustainable Development, Prof M.T Ladan, Director-General of Nigerian Institute of Advanced Legal Studies; Prof Sadiq Radda, former Chairman, Presidential Advisory Committee on Corruption (PACAC); Prof Smart Otu, former Dean, Law Faculty, Alex Ekwueme Federal University, Dr. Liljana Cvetanoska, former Senior Lecturer at the University of Sussex, United Kingdom, Mr. Sulayman Dawodu, former Executive Secretary Administration of Criminal Justice Monitoring Committee, Mr. Chris O. Ugwuala Esq of Ethics Compliance Institute, Ms. Esther Agbaje, Legal Adviser, African Center for Governance, Asset Recovery and Sustainable Development, Ms. Chidinma Ilechukwu-ThankGod, Programme Assistant for Women, Children and Persons with disabilities, RoLAC and Mr. Okorn Okorn, Research And Policy Analyst.

The African Center wishes to acknowledge the contributions of its staff members: Ms. Emmanuela OkonkwoAbutu, Ms. Joyce Odabi, Mr. Paschal Mbonu, Mr. Alawode Adekunle, Ms. Asmau Adamu, and Mr. Orthega Attahiru.

Special gratitude goes to the anti-corruption agencies, civil society organizations, academia, and anti-corruption professionals who participated in the focus group discussions and responded to the survey instruments.

FOREWORD

I am pleased to write this "*Foreword to the Compendium on Lessons Learned and Best Practices from Nigeria's Anti-Corruption Efforts:2015 to 2023".*

The MacArthur Foundation is pleased to have provided funding for compiling this Compendium. Our collaboration with Trust Africa and Ford Foundation in establishing the Anti-Corruption Fund in 2015 was aimed to support former President Muhammadu Buhari's anti-corruption efforts. We firmly believe that controlling corruption will greatly enhance Nigeria's governance system.

Our commitment to supporting the current government as it builds on the successes of previous administrations remains unwavering. The Compendium compiled by the African Center is a valuable resource that can serve as a model for others. It urges policymakers, anti-corruption advocates, civil society groups, development partners, and academics to engage in critical discussions on how to address corruption in Nigeria and propose solutions. This insightful resource is highly recommended for governance and development professionals.

Kole Shettima Ph.D
Director
MacArthur Foundation

PREFACE

In curbing corruption, a fundamental approach is to understand the drivers, enablers, and opportunities that allow it to persist. By understanding the challenges, we can proffer solutions to systemic change. Understanding past experiences, successes, and challenges will pave the way for more effective strategies and solutions.

This Compendium is a response to a call to fill the knowledge gap. It represents a crucial milestone in documenting and distilling the lessons learned and best practices from Nigeria's anti-corruption efforts from 2015 to 2023. The lessons learned, best practices, and recommendations highlighted in this compendium offer invaluable guidance to policymakers, practitioners, civil society organizations, and citizens alike, providing a roadmap for future endeavours and offering practical solutions to complex challenges.

This Compendium gives insight into Nigeria's significant journey in the past eight years to curb corruption, and through it all, the nation has demonstrated resilience, determination, and an unwavering commitment. Despite the shortcomings, this work indicates Nigeria's dedication to transparency, accountability, and good governance. It is a knowledge repository containing valuable insights from the frontline of the anti-corruption struggle. From the halls of government to the grassroots level, the information provided in the Compendium reflects the diverse array of initiatives, strategies, and innovations employed in pursuing a corruption-free Nigeria.

No doubt, the documentation of the previous government's anti-corruption policies, laws, and initiatives in this Compendium reflects the power of collaboration, partnership, and collective action. It is a tribute to the countless individuals and organizations who have dedicated themselves to the cause of good governance, often at significant personal risk. Their courage, tenacity, and vision have driven progress and instilled hope for a brighter future.

We must add that the Compendium has its limitations and was not aimed to cover every sector or issue deliberated by the previous government. We hope other organizations and researchers can fill the gaps and address the problems we could not cover.

As we commence the next phase of Nigeria's democratic journey, let us draw inspiration from past lessons to inform the best practices of the present. Let us remain steadfast in our commitment to upholding integrity, transparency, and accountability.

I sincerely hope this Compendium will drive renewed action and revitalized hope. May we redouble our efforts and forge a renewed determination toward a future where justice prevails over impunity and the rule of law thrives. The fight against corruption in all sectors is everyone's business, and our collective labor will yield positive results when we all come together.

Juliet Ibekaku-Nwagwu,
Executive Director,
African Center for Governance, Asset Recovery and Sustainable Development

LIST OF ABBREVIATIONS

ACAS	Anti-Corruption Agencies
AFRICAN CENTER	African Center for Governance, Asset Recovery and Sustainable Development
AML	Anti-money laundering
ANEEJ	Africa Network for Environmental and Economic Justice
ARMU	Asset Recovery Management Unit
AUCPCC	African Union Convention Preventing and Combating Corruption
BO	Beneficial Ownership
BOT	Beneficial Ownership Transparency
BPP	Bureau of Public Procurement
BVN	Bank Verification Number
CAC	Corporate Affairs Commission
CAMA	Companies and Allied Matters Act
CCB	Code of Conduct Bureau
CDD	Centre for Democracy and Development
CENTRE LSD	African Centre for Leadership, Strategy and Development
CFT	Countering the financing of terrorism
CFRN	Constitution of the Federal Republic of Nigeria
CGC	Corporate Governance Commission
CISLAC	Civil Society Legislative Advocacy Centre
CJL	Corruption, Justice and Legitimacy
CPI	Corruption Perception Index
CSO	Civil Society Organization
DFID	Department for International Development
DMBs	Deposit Money Banks
DNFBPs	Designated Non-Financial Businesses and Professions
DPR	Department of Petroleum Resources
EFCC	Economic and Financial Crime Commission

EITI	Extractive Industries Transparency Initiative
FATF	Financial Action Task Force
FCID	Force Criminal Investigations Department
FDI	Foreign Direct Investment
FEC	Federal Executive Council
FGD	Focus Group Discussion
FIRS	Federal Inland Revenue Service
FMOJ	Federal Ministry of Justice
FOI	Freedom of Information
FRN	Federal Republic of Nigeria
GDP	Gross Domestic Product
GFAR	Global Forum on Asset Recovery
GFI	Global Financial Integrity
GIABA	Intergovernmental Action Group against Money Laundering and Financing of Terrorism in West Africa
GIFMIS	Government Integrated Financial Management Information System
HAGF	Honourable Attorney-General of Federation
HEDA	Human and Environmental Development Agenda
ICPC	Independent Corrupt Practices and Other Related Offences Commission
IDA	International Development Association
IFF	Illicit Financial Flows
IMF	International Monetary Fund
IPPIS	Integrated Personnel and Payroll Information System
KYC	Know Your Customer
LEA	Law Enforcement Agencies
MANTRA	Monitoring of Recovered Assets through Transparency and Accountability
MCO	Mining Cadastre Office
MDA	Ministries, Departments and Agencies
MLA	Mutual Legal Assistance
MLPP	Money Laundering Prohibition and Prevention

MOU	Memorandum of Understanding
MTEF/FSP	Medium Term Expenditure Framework & Fiscal Strategy Paper
NACS	National Anti-Corruption Strategy
NAP	National Action Plan
NCCT	Non-Cooperative Countries and Territories
NDDC	Niger Delta Development Commission
NFIU	Nigerian Financial Intelligence Unit
NIA	Nigeria Intelligence Agency
NGOs	Non-Governmental Organizations
NNPC	Nigerian National Petroleum Corporation
NOCOPO	Nigeria Open Contracting Portal
NPCC	National Prosecution Coordination Committee
NPF	Nigeria Police Force
OCDS	Open Contracting Data Standard
OECD	The Organization for Economic Cooperation and Development
OGP	Open Government Partnership
OML	Oil Mining Lease
PACAC	Presidential Advisory Committee Against Corruption
PEPs	Politically Exposed Persons
PF	Proliferation Financing
MER	Mutual Evaluation Report
POCA	Proceeds of Crime Act
SCUML	Special Control Unit Against Money Laundering
SDGs	Sustainable Development Goals
SFU	Special Fraud Unit
STAR	Stolen Asset Recovery Initiative
TI	Transparency International
TSA	Treasury Single Account
UK	United Kingdom
UNCAC	United Nations Convention against Corruption

UNCTAD	United Nations Conference on Trade and Development
UNODC	United Nations Office on Drugs and Crime
USA	United States of America
USAID	United States Agency for International Development
USDOJ	United States Department of Justice

TABLE OF CONTENTS

Pages

Acknowledgment iii

Foreword v

Preface vi

List of Abbreviations viii

Table of Contents xii

Executive Summary 2

SECTION ONE 6

1 Introduction

1.2 Scope of Compendium

1.3 General Background and Context

1.4 Definition and Limitations

1.5 Justification for The Compendium

1.6 Anti-Corruption Theory of Change

1.7 Criteria for Measuring Effectiveness

1.8 Methodology

1.9 Deliverables/Output

1.10 Global Cost of Corruption

SECTION TWO 21

2. Understanding Corruption and Its Effect Within Nigeria's Context

2.1 Effect of Corruption

SECTION THREE 29

3. Analysis of Anti-Corruption Programmes of President Muhammadu Buhari (2015-2023)

3.1 Anti-Corruption Policies Reforms

3.2 Legal Reform

3.2 Anti-Corruption Agencies and Institutional Reform

SECTION FOUR 80

4. Analysis of Findings from Desk Research, Focus Group Discussion and Feedback from Key Informants.

4.1 Summary of Findings From FGD

4.2 Analysis of Responses from Key Informants

4.3 Qualitative Analysis of National Anti-Corruption Strategy (2017-2020)

4.4 Quantitative Analysis of Progress Made by Relevant Anti-Corruption Agencies on Prosecutions, Convictions, And Value of Recovered Asset

SECTION FIVE. 95

5.0 Best Practices

5.1 Challenges

5.2 Lessons Learned

SECTION SIX 107

6. Recommendations and Conclusion

References **110**

LIST OF TABLES

Table 1 Transparency International Corruption Perception Index

Table 2 Anti-Corruption Commitments

Table 3 OGP National Action Plan (NAP 1) 2017-2019

Table 4 OGP National Action Plan (NAP II) 2019 to 2022

Table 5 Anti-corruption measures, laws, and policies of former President Buhari's administration

APPENDICES 127

Appendix 1 Qualitative Analysis of Key Responses of Informants

Appendix 2 Independent Corrupt Practices and Other Related Offences Commission Quantitative Analysis of Data on Convictions and Assets Recovered In Nigeria

Appendix 3 Code of Conduct Bureau Quantitative Analysis of Data on Convictions and Assets Recovered in Nigeria

Appendix 4 Economic Financial Crimes Commission Quantitative Analysis of Data on Convictions and Assets Recovered in Nigeria

Appendix 5 Nigeria Police Force Quantitative Analysis of Data on Convictions and Assets Recovered in Nigeria

FIGURES

Figure 1 Graphical Representation of Nigeria's commitment at the UK anti-corruption summit 2016

Figure 2 Graphical Representation Open Government Partnership National Action Plan (NAP 1) 2017-2019

Figure 3 Graphical Representation Open Government Partnership National Action Plan (NAP II) 2019 to 2022

Figure 4 Graphical Representation of National Anti-Corruption Strategy 2017-2020

Figure 5 ICPC Quantitative Analysis of Data on Convictions and Assets Recovered in Nigeria

Figure 6 CCB Quantitative Analysis of Data on Convictions and Assets Recovered in Nigeria

Figure 7 EFCC Quantitative Analysis of Data on Convictions and Assets Recovered In Nigeria

Figure 8 NPF Quantitative Analysis of Data on Convictions and Assets Recovered In Nigeria

EXECUTIVE SUMMARY

The MacArthur Foundation's support in the compilation of the Compendium deserves acknowledgment. It is also to their credit that the government was able to get additional resources to implement some of the reforms discussed in this Compendium. Through their active leadership and coordination, they collaborated with Trust Africa and Ford Foundation to establish the *Nigeria Anti-Corruption Fund* in 2015 to fast-track the implementation of the former President's anti-corruption commitments.

This Compendium set out to evaluate and highlight the best practices and lessons learned from the initiatives of former President Buhari's administration in the anti-corruption sector from 2015 to 2023 and to provide valuable insights for the current and future governments, professionals, academia, development partners, and other critical stakeholders.

One of the challenges that the Compendium grappled with was the methodology to be applied reflexively and without bias in analyzing the initiatives undertaken during the period under review. With the objectives and limitations set out, it became clear that the study was focused on the problem of fighting corruption in the public sector and the impact of corruption within Nigeria's context while taking a broad view of the international legal framework.

The Compendium's analysis considered the complexities of defining corruption but highlighted the most relevant approaches from the World Bank, Transparency International, and the United Nations Convention against Corruption (UNCAC), 2003. The methodology adopted in the Compendium included desk research of anti-corruption literature, including journal articles and online research, and the design of a survey questionnaire to extract feedback from a limited number of participants who were anti-corruption experts (including serving and former officials, civil society representatives, academic) and a Focus Group Discussion. The literature review provided background on laws, policies, institutional measures, and a broad view of the context and impact of corruption on Nigeria's social, political, and economic development, as well as Nigeria's engagement at the international level through bilateral and multilateral engagements of former President Buhari.

The Compendium applied UNCAC's analytical tools for assessing countries based on enacting anti-corruption laws, policies, and institutional measures, particularly the existence of well-resourced and capable anti-corruption agencies with preventive, prosecutorial, and investigative mandates in analyzing the performance of the previous administration. Other UNCAC criteria considered were the effectiveness of asset recovery and asset return measures and international cooperation and engagement with other countries, as well as the extent to which Nigeria progressed in the Financial Action Task Force (FATF) Anti-Money Laundering (AML) standards where these measures were linked to anti-corruption efforts.

The findings from the analysis of literature, laws, policies, and institutional measures can be summarized as follows:

- Corruption has a detrimental effect globally and within Nigeria, exacerbating poverty and affecting sustainable development, and has contributed to the country's fragility. Although grand corruption and illicit financial flow are prevalent in Nigeria, bribery remains a substantial concern.
- The former President's leadership in the anti-corruption sector contributed to the enactment of novel legal frameworks to enhance the effectiveness of anti-corruption measures such as the Proceeds of Crime Act 2022, Money Laundering (Prevention and Prohibition) Act 2022, Witness Protection and Management Act 2022, Nigeria Financial Intelligence Unit Act 2018, Mutual Legal Assistance in Criminal Matters Act 2018, National Policy on Justice, 2017 (revised in 2020 and 2023, Companies and Allied Matters Act, 2020.
- Additionally, notable policies inspired by the President's participation in the 2016 London Anti-Corruption Summit included the Open Government Partnership (OGP), which led the foundation for the elaboration of detailed policies on fiscal transparency, beneficial ownership, access to information, and citizens' engagement, open contracting, subnational engagement, extractive transparency, and international cooperation.
- The study highlighted the institutional frameworks that support anti-corruption efforts, particularly the anti-corruption agencies, the Federal Ministry of Justice, the Judiciary, and the roles of other entities responsible for public finance management, particularly

the Federal Ministry of Finance, Budget and National Planning and the Nigeria Extractive Industry Transparency Initiative (NEITI).

- While noting advancements aimed at curtailing corruption in Nigeria, the compendium identified systemic challenges hindering effectiveness, such as weak enforcement mechanisms, overlapping mandates, institutional rivalry, and social and cultural norms that condone corruption. The study found that overcoming corruption is impeded by societal norms and the ineffective implementation of anti-corruption strategies.

Section 4 of the Compendium sets out the significant findings, which showed a detailed analysis of the performance of the former President's commitment in 2016, showing that 46.7% were substantially implemented, while 33.3% were moderately implemented. The study of the first National Action Plan for the implementation of Open Government Partnership (OGP, 2017 to 2019) showed substantial performance of 46.7%, while the second OGP (2019 to 2022) demonstrated a significant improvement of 62.5% substantial implementation. The findings from the National Anti-corruption Strategy (NACS) assessment showed moderate implementation. The data obtained from the core anti-corruption agencies, particularly the Economic and Financial Crimes Commission (EFCC), the Independent Corrupt Practices and Other Offences Commission (ICPC), and the Code of Conduct Bureau, showed a significant increase in conviction rates and recovered assets. EFCC reported over 10,748 convictions and recovered assets of over USD 1 billion.

Furthermore, ICPC reported more than 154 convictions and a recovery above USD 400 million for the first time since its establishment. In addition, the Federal Ministry of Justice also reported the recovery and return of nearly USD 664 million. The data analysis shows a remarkable shift from pre-2015 governments' records. This data confirms that the former President's comprehensive legal, policy and institutional reform directly impacted the outcome and performance of the anti-corruption agencies.

The Compendium highlighted significant lessons learned and best practices in section five (5), particularly the leadership provided by the former President in implementing reforms in

the anti-corruption sector. The President's leadership in following up on the commitments made at various times, transposing those principles and standards into laws and policies and engaging actively with the public sector assisted in driving significant changes necessary to control corruption, albeit inadequate. The best practices identified included the initiatives in open budgeting, open contracting, extractive industry transparency, and beneficial ownership. While these practices did not stop corruption, they created the foundation for improved citizen engagement. As a result of the OGP, the government actively engaged with citizens and provided a platform for citizens to co-create national policies at the federal and sub-national levels.

The challenges identified while drafting the Compendium showed that a primary challenge in fighting corruption was the lack of a "whole government" approach and interface with all governance sectors. Therefore, there was a tendency to see corruption as the problem of the political elites while overlooking corruption within the public and private sectors. The current anti-corruption approach embedded in the "Principal-Agent" theory is unsustainable. Other challenges include the need to improve the ability of the anti-corruption agencies to adhere to the rule of law while executing their task. Trust in anti-corruption agencies was found to be low; thus, citizens called for improved respect and communication. Political interference in handling cases, limited funding, poor interagency cooperation, and weak internal governance structures were additional challenges that inhibited an effective anti-corruption sector in Nigeria.

Additionally, the Recommendations in section six highlighted the following critical areas for consideration by current and future governments, development partners, and anti-corruption agencies. Given the influence of social norms and cultural factors in fighting corruption and lessons learned from situations of endemic corruption in other countries, the Compendium recommends a different approach based on the "Collective Action" approach where everyone is involved in fighting corruption. Collective action requires multi-stakeholder involvement and engagement with citizens. It is recommended that:

> "*government and donors adopt collective action theory or principles in articulating future anti-corruption reforms. The articulation of new programs should be preceded by a corruption risk assessment of sectoral vulnerabilities to understand and sustain the cultural and social norms that drive corruption. By doing this, the government and development partners will build a continuous dialogue and engagement system with citizens".*

Other recommended actions include the need for frequent assessments of the performance of anti-corruption agencies and other relevant agencies, the training of all public officials on anti-corruption and codes of conduct, improving citizens' trust in anti-corruption reform policies, and the proactive development and dissemination of data on all activities in the anti-corruption sector.

Finally, it is imperative to point out that the task of the Compendium was limited to only the anti-corruption reforms of former President Buhari. Given the limited time provided for the completion of the research, addressing all the activities and engaging in a broader conversation with all actors was impossible. Other studies are expected to build on this Compendium and perhaps address any limitations identified.