



2024

# COMMON AFRICAN POSITION ON ASSET RECOVERY

# IMPLEMENTATION IN NIGERIA

Civil Society Legislative  
Advocacy Centre  
(CISLAC)

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The Civil Society Legislative Advocacy Centre (CISLAC) is a registered non-profit organisation in Nigeria. CISLAC is also the national chapter of Transparency International (TI) in Nigeria. CISLAC conducts advocacy, citizen engagement, capacity building and research on good governance, anti-corruption, social justice, and other related themes.

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## CAPAR Implementation in Nigeria

A pilot CSO assessment of the implementation of the Common African Position on Asset Recovery in Nigeria

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Methodology initially developed by CiFAR – Civil Forum for Asset Recovery and reviewed and revised by CiFAR, Transparency International and all piloting civil society organisations.

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## Acronyms and abbreviations

AGF - Attorney General of the Federation

AML - Anti-Money Laundering

BO - Beneficial Ownership

BVN - Bank Verification Number

CAPAR - Common African Position on Asset Recovery

CBN - Central Bank of Nigeria

CDD - Customer Due Diligence

CISLAC - Civil Society Legislative Advocacy Centre

EDD - Enhanced Due Diligence

EFCC - Economic and Financial Crimes Commission

FATF - Financial Action Task Force

FIU - Financial Intelligence Unit

FOI - Freedom of Information

ICPC - Independent Corrupt Practices and Other Related Offences Commission

ICIR - International Center for Investigative Reporting

KYC - Know Your Customer

MLAT - Mutual Legal Assistance Treaty

NEITI - Nigeria Extractive Industries Transparency Initiative

NFIU - Nigeria Financial Intelligence Unit

PEP - Politically Exposed Person

STR - Suspicious Transaction Report

SCUML - Special Control Unit against Money Laundering

TI - Transparency International

UNCAC - United Nations Convention against Corruption

# FORWARD

This report which seeks to monitor Nigeria's progress towards the Common Africa Position on Asset Recovery was produced by the Civil Society Legislative Advocacy Centre, CISLAC, the National Chapter of Transparency International (TI) in Nigeria.

We commend the colleagues at the Transparency International (TI) Secretariat based in Berlin and the Civil Forum for Asset Recovery (CiFAR) for their support in producing this report.

I would also like to thank all the CISLAC staff for their dedication which has ensured the success of this report that has highlighted the journey of Nigeria and its progress towards the CAPAR, which Nigeria played a major role in advocating for at the continental level.

As a country with assets abroad, this exercise was important to highlight the successes and challenges around asset recovery. Moreso, Nigeria is currently facing economic challenges and the need for alternative sources of wealth has increased. While these funds may not plug the huge resource gap required by the country, they will go a long way in reducing the resource deficit of the country if adequately managed.

I would also like to thank the Nigerian media for their unwavering commitment towards democracy through their consistent reporting of key issues affecting the country despite the challenges they face in undertaking their duties.

Finally, CISLAC is grateful to all stakeholders and organizations for their critical support in various ways to ensure the completion of this report. We also appreciate the diligent efforts of reputable civil society organizations as well as Nigerian citizens who continuously demand accountability from public officeholders. We believe that this report will advance the collective efforts of Nigerians to see that progress is achieved around asset recovery and beyond.

Yours Faithfully



**Auwal Ibrahim Musa (Rafsanjani)**

Executive Director

Civil Society Legislative Advocacy Centre (CISLAC)

# METHODOLOGY

This report is a civil society organisation (CSO) assessment of the extent to which the recommendations of the Common African Position on Asset Recovery (CAPAR) have been implemented in the country. This was undertaken through the piloting of an assessment tool carried out between November 2023 and March 2024. This tool was subject to revision through a research meeting in April 2024.

This tool is a way to assess government implementation of CAPAR commitments and as a basis to advocate for reform. It contains four different fields:

- **Recommendation:** The recommendations are derived from the four pillars of CAPAR. These recommendations have been carefully selected based on their appropriateness and measurability in assessing a country's asset recovery framework. They each correspond to a recommendation set out in the CAPAR and can therefore be directly linked to a commitment made by an African Union Member State
- **Indicator:** The indicators used in the assessment are derived from the sub-components of the CAPAR recommendations. These indicators address three key aspects: the existence or presence of certain elements, the specific provisions or elements included, and the extent or coverage of those provisions in the national asset recovery frameworks.
- **Ratings:** The ratings provided for each indicator are categorized into three levels: No, Somewhat, and Yes. By evaluating and measuring the options of "No/Somewhat/Yes," it becomes possible to assess the effectiveness of a country's asset recovery framework. These ratings help identify areas where improvements can be made.
- **Justification for the rating:** Alongside assigning a rating to each indicator, the rating is substantiated by information to support the assigned rating. The information offers credible evidence and reasoning that supports the given rating. The basis for the information provided ranged from credible sources and public information, to consultations with experts and government officials.

	Yes
	Somewhat
	No

The report is laid out across several sections:

- The summary provides an overall explanation of the results of this assessment and a summary graph showing overall progress in implementing the CAPAR.
- It is followed by the individual assessment of each Pillar and indicators within that Pillar.
- Each of the four Pillars includes a summary of the results of that pillar, with a graph indicating scores by Pillar. Each indicator is then included with the findings of that indicator and a justification of how that finding was reached.

CSOs are essential for the implementation of CAPAR through providing oversight on the in-country implementation of CAPAR and providing recommendations for reform. This includes by:

- **Raising Awareness and Promoting Recommendations:** engaging with the public and stakeholders via the media, in meetings, and in forums to increase awareness about CAPAR and its recommendations.
- **Assessing Government Commitment Implementation:** evaluating the level of commitment implementation by governments, pinpointing gaps and offering inputs for improvement.
- **Advocating for Reforms:** championing necessary reforms in asset recovery legislation, institutions, and practices to align with CAPAR recommendations.

# SUMMARY

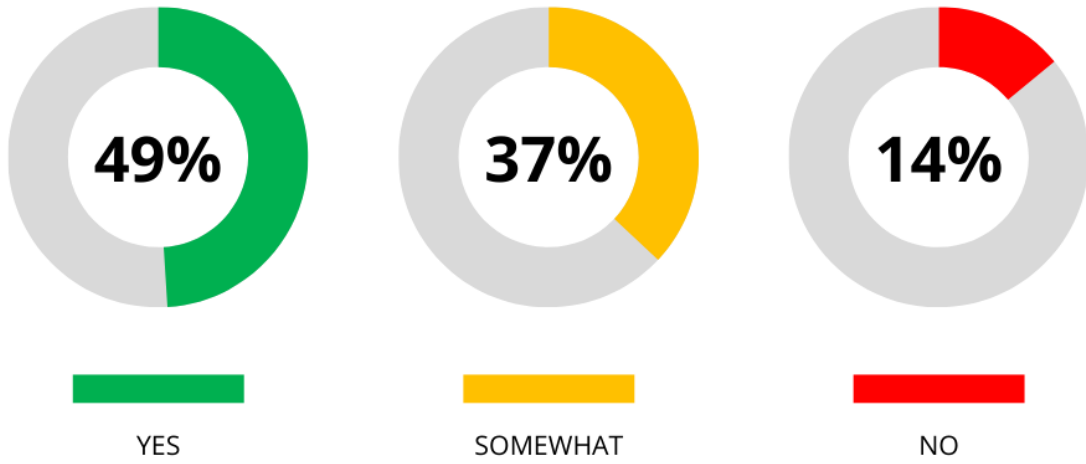
Nigeria has established important legislative frameworks to guarantee the identification and discovery of assets within the nation. Among these laws is the 1999 Nigerian Constitution, which addresses issues of public officials' code of conduct, particularly concerning asset declaration. Regretfully, after public officeholders declare their assets, the Constitution does not explicitly mandate this information to be in the public domain (Federal Republic of Nigeria, 1999). Nigeria has also passed laws like the Terrorism Prevention and Prohibition Act (2022) and the Money Laundering Prevention and Prohibition Act (2022), the problem is that although these rules are in place, they are frequently difficult to implement. As a result, Nigeria was placed on the Financial Action Task Force (FATF) grey list in January 2023 by the international organisation (KPMG, 2023).

Nigeria's Proceeds of Crime (Recovery and Management) Bill 2022 was successfully passed by the country's parliament and approved by the country's former president. With the passage of this law, frameworks for the recovery, administration, and disposal of assets were made available. The law was able to guarantee that each agency with the authority to recover assets established a directorate to oversee these assets, even though there was no progress in guaranteeing that the functions were centralised in one agency. Hence, the coordination of the asset recovery process is difficult because it is divided among roughly 10 agencies, each of which has the authority to manage and recover assets (Nigeria, 2022). Furthermore, the Proceeds of Crime Act has not been implemented fully. For instance, the Act mandates that these agencies maintain records of assets recovered; yet citizens are unable to access these documents. Additionally, none of the authorities tasked with recovering assets provide regular updates on the quantity of assets they have recovered and disposed of.

The multi-agency structure of Nigeria's asset recovery sector, where many agencies have overlapping mandates, creates a vacuum in the coordination of asset recovery initiatives. This is a setback when compared to the advancement of Nigeria globally and regionally (AfricaNews, 2019). Nigeria has made a significant contribution to asset recovery challenges in Africa and the West Africa sub-region. Nigeria has established alliances with other nations to guarantee a unified African effort for the retrieval and repatriation of assets to the continent.

This was demonstrated by Nigeria's leadership of the CAPAR initiative (African Union, 2022). With asset recovery totalling more than USD 5 billion over the last 25 years, Nigeria has likewise led the continent in this regard. While there has been improvement, it is crucial to note that adequate management of these recovered assets is still required, and this has proven to be a significant problem (CISLAC, 2021).

In conclusion, while there is some progress, there is still more work to be done in terms of engaging citizens and civil society, particularly considering the absence of frameworks like whistleblower protection channels that would enable citizens to appropriately disclose issues related to corruption.



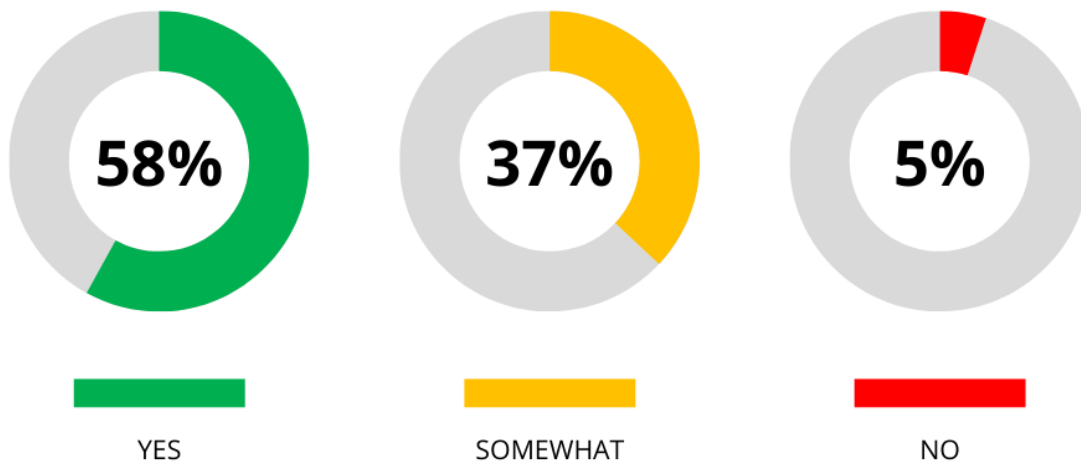
Overall scores: Nigeria

# PILLAR 1: DETECTION AND IDENTIFICATION OF ASSETS

## OVERVIEW

Nigeria has set up key legal frameworks to ensure the detection and identification of assets within the country. These laws include the Nigerian 1999 Constitution which covers matters around the code of conduct for public officials, specifically on asset declaration. Unfortunately, the constitution does not explicitly back the publication of information on these assets after they have been declared by public officeholders (Federal Republic of Nigeria, 1999).

In addition to the constitution, Nigeria has also enacted the Money Laundering Prevention and Prohibition Act 2022 as well as the Terrorism Prevention and Prohibition Act (2022) which have provisions to adequately detect and identify illicit transactions. Furthermore, Nigeria’s Central Bank and Nigeria’s Financial Intelligence Unit (NFIU) issue directives to financial institutions in line with global practices. The challenge is that while these laws are in place, enforcement is often a challenge and this saw Nigeria grey-listed by the global body, the Financial Action Task Force (FATF) in January 2023 (KPMG, 2023).



*Pillar 1 results*

## 4.1.1. STRENGTHENING DOMESTIC AND REGIONAL SYSTEMS

### A) Enhancing existing laws and making new laws, where there is deficiency, to allow for the transparency and accessibility of records of assets of public officials

#### Indicator i) Is there a law requiring public officials to record their assets publicly?

	Laws or regulations on asset disclosure for public officials exist, requiring some disclosure of assets but this only covers some officials or only under certain conditions or only some assets.
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#### Justification for the rating

Currently, **no specific law** in Nigeria mandates public officials to disclose their assets publicly. However, the Nigerian constitution requires public officers to declare their assets and liabilities. This declaration must be made upon assuming office, at the end of their term, and at intervals specified by the National Assembly. Both elected and appointed public officials, along with their spouses and dependent minors, are obligated under the Constitution of the Federal Republic of Nigeria (CFRN) 1999 to declare their assets (Federal Republic of Nigeria, 1999).

It's important to note that while the constitution covers asset declaration, it does not necessitate public disclosure of these assets. Despite the legal requirements, there is notable resistance among Nigeria's Politically Exposed Persons (PEPs) to the public release of declared assets. The Code of Conduct Bureau (CCB) consistently cites the lack of prescribed terms and conditions by the National Assembly as the reason for not allowing public access to these declarations. This is emphasized, even with the existence of the Freedom of Information (FOI) Act 2011 of Nigeria is cited (Nigeria, 2011).

#### ii) Does the law require regular updates to these asset records?

	Laws require regular updates to public officials' recorded assets. This is at a minimum annually.
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#### Justification for the rating

While these assets are not publicly available, public officials are obligated to declare their assets/liabilities on the following occasions: (a) Upon assumption of office; (b) At the end of their term of office; (c) At intervals of four years for Public Officers on continuous employment with the Government, whether Federal, State, or Local Government; (d) and at such other intervals as the Code of Conduct Bureau (CCB) may determine from time to time. Additionally, these declarations encompass not only the assets and liabilities of **the public officials themselves but also extend to include those of their spouses and dependent minors.**

#### iii) Is information on the record of assets of public officials easily accessible?

	Information on the assets of public officials not easily accessible or not available to the public.
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### Justification for the rating

Information on the assets of public officials **are not publicly available**. . According to the Nigerian Constitution, the responsibility falls on the parliament to enact legislation guiding the process of public access to such information. Unfortunately, as of now, no specific law has been established for this purpose. Activists have contended that the existing Freedom of Information Act 2011 could potentially serve as a legal avenue for obtaining asset information, given that it was passed by the parliament. However, the CCB, which oversees asset declaration forms, does not entertain Freedom of Information requests pertaining to this matter (Premium Times, 2021).

A notable case exemplifying the challenges in accessing asset information occurred in January 2019 when The International Center for Investigative Reporting (ICIR) filed a FOI request to the CCB, seeking details of the assets declared by President Buhari and his cabinet members. Regrettably, the CCB declined the request, violating the 7-day official deadline prescribed in the statute for responding to FOI requests (ICIR, 2019).

In a parallel scenario, Uzoegwu F.O.C. Esq faced hurdles in obtaining information from the Central Bank of Nigeria (CBN) under the FOI Act. Uzoegwu had requested information about the monthly salaries of the Governor, Deputy Governor, and Directors of the CBN in November 2011. The CBN did not respond within the legally required timeframe, prompting Uzoegwu to file an Originating Summons in the Federal High Court. In response, the CBN and the Attorney-General of the Federation argued that the requested information constituted personal information communicated to the officers upon their appointments and was protected by trade and commercial secrets, as stipulated in sections 15(1) and 13(3) (training of officials) of the FOI Act (Colombia University, n.d.).

These instances underscore the challenges faced by individuals and organizations attempting to access asset information under the existing legal framework in Nigeria, revealing gaps in transparency and accountability.

## **B) Encouraging and domestically enforcing transparency and accountability of financial institutions and the financial services sector to address and curb areas of complicity in illicit financial flows and the illicit consignment of African assets to foreign jurisdictions**

### **i) Is there a legal requirement for financial institutions to conduct comprehensive Customer Due Diligence (CDD) on their customers?**

There are laws in place that require financial institutions to conduct CDD on their customers

### Justification for the rating

Nigeria's Money Laundering (Prevention and Prohibition) Act 2022 (Nigeria, 2022) and the Central Bank of Nigeria (CBN) Customer Due Diligence Regulations, 2023 (Central Bank of Nigeria (CBN), 2023) require that Financial Institutions (Fis) conduct CDD on their customers. Nigeria's Central Bank (CBN) issued the three-tiered Know Your Customer (KYC) requirements to be complied with by banks and financial institutions under its regulations. In this instance, the KYC requirement was based on the categorization of accounts (i.e. the low-value, medium-value, and high-value accounts).

## ii) Is there a legal requirement for financial institutions to maintain up-to-date customer information through Know Your Customer (KYC) procedures?

There are laws in place that require financial institutions to maintain up-to-date customer information through KYC procedures

### Justification for the rating

Nigeria's Money Laundering (Prevention and Prohibition) Act 2022 (Nigeria, 2022) and the Central Bank of Nigeria (CBN) Customer Due Diligence Regulations, 2023 require that Financial Institutions (FIs) maintain up-to-date customer information through KYC (Central Bank of Nigeria (CBN), 2023). It also stipulates how these should be kept depending on the risk of the customer. However, this is not always enforced. Depending on the account held by such customer, the bank is required to obtain the name, place, date of birth, gender, address, telephone number, and passport, etc. of the customer, and in the instance of medium-value accounts, the customer information obtained is required to be verified against similar information in government official databases.

The CBN had also issued other circulars directing banks to obtain other information of customers such as their Bank Verification Number (BVN) and public position held etc. More particularly, the CBN has raised the bar in customer due diligence by now requiring banks and financial institutions to obtain the social media handles of their customers. Concerning legal persons and legal arrangements (i.e. companies) the CDD regulation requires extensive information to be obtained from companies, and thus persons carrying on business in Nigeria are required to abide by these extensive information requirements. Against the backdrop of the CBN's requirement for companies to provide information on their beneficial owners, the CDD regulation requires companies to submit names and identification documents of the relevant persons having a senior management position in the company. It also has comprehensive information on the verification of customer identity. It specifically mentions the obligation of wallet providers to verify the phone numbers of their customers through an independent process, including validation against the Nigerian Communications Commission database or geo-mapping.

## iii) Are financial institutions legally required to report suspicious transactions to the appropriate authorities within a specified timeframe?

Financial institutions are legally obligated to provide STRs within a specified timeframe

### Justification for the rating

Under Nigeria's Money Laundering (Prevention and Prohibition) Act 2022 and the Central Bank of Nigeria (CBN) Customer Due Diligence Regulations, 2023 require that Financial Institutions (FIs) are required to report suspicious transactions to the Nigerian Financial Intelligence Unit (NFIU). Financial institutions in business relationships with PEPs shall conduct enhanced and ongoing monitoring of such relationships and report any abnormal transactions as suspicious transactions. The criteria for reporting suspicious activity to the NFIU is any single lodgement or transfer of funds in excess of 5 million Naira and 1 million Naira or their equivalent made by an individual or corporate body, respectively. There is a legal requirement for the sharing of information between government authorities and financial institutions and businesses subject to AML controls to assist with identifying and reporting suspicious activity. However, there is no legal requirement for financial institutions and businesses subject to AML controls to share information with one another.

#### iv) Does the legal framework require the financial institution to conduct Enhanced Due Diligence (EDD) on high-risk customers or transactions?

There is a Legal framework that provides for the requirement for financial institutions to conduct EDD on high-risk customers

##### **Justification for the rating**

This law exists under Nigeria's Money Laundering (Prevention and Prohibition) Act 2022 (Nigeria, 2022) and the Central Bank of Nigeria (CBN) Customer Due Diligence Regulations, 2023 (Central Bank of Nigeria (CBN), 2023). This applies to financial institutions.

#### v) Are financial institutions required by law to identify and monitor Politically Exposed Persons (PEPs)?

There are comprehensive legal requirements for financial institutions to identify and monitor PEPs

**Justification for the rating** In 2023, the Central Bank of Nigeria (CBN) issued an enhanced directive aimed at strengthening Anti-Money Laundering (AML), Countering the Financing of Terrorism (CFT), and Countering Proliferation Financing (CPF) measures. This directive introduces a risk-based approach to the identification of PEPs and emphasizes the application of EDD measures when dealing with individuals deemed to pose higher AML/CFT/CPF risks (Central Bank of Nigeria (CBN), 2023). The directive explicitly acknowledges corruption as a significant risk and underscores the vulnerability of domestic PEPs to financial risks. As a result, the directive categorizes most domestic PEPs as high-risk by default. Foreign PEPs and individuals with prominent roles in international organizations are to be categorized based on the level of risk assessed by financial institutions.

Aligned with CBN AML/CFT/CPF Regulations 2022, the directive also draws inspiration from international best practices. It references the FATF Standards, FATF Guidance on PEPs (2013), and Wolfsberg Guidance on PEPs (2017). This alignment with global standards ensures a comprehensive and robust framework for the identification and management of risks associated with PEPs.

To facilitate compliance and implementation, the CBN has issued comprehensive guidance to FIs. This guidance outlines minimum standards that FIs should adhere to in their relationships with PEPs. Importantly, the guidance does not limit the measures that FIs can take to meet their statutory obligations. It serves as a tool to assist FIs in navigating the complexities of dealing with PEPs, ensuring that risk management practices are in line with regulatory requirements and international standards.

### 4.1.3 STRENGTHENING AND ENHANCING EXISTING BODIES AND INSTITUTIONS

#### A) Enhancing the effectiveness of domestic, regional, and global financial institutions, revenue collection authorities, financial intelligence centers (FICs) and units, through reform of laws and mandates as well as advocacy

i) Are specific agencies designated to facilitate existing frameworks of cooperation and enable effective detection and identification and tracking of assets across borders?

	Several agencies are designated or empowered to facilitate networks of cooperation and to enable effective detection, identification and tracking of assets but there is a lack of clear delineation of their roles or there is a clear designation of agencies for some of these roles but not all.
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#### Justification for the rating

The coordination of anti-corruption efforts in Nigeria faces notable challenges. Although the Ministry of Justice is designated to oversee and coordinate these interventions, effective coordination remains inconsistent. This lack of a centralized coordination mechanism may impede the seamless collaboration needed to combat corruption comprehensively.

In terms of international collaboration, various agencies possess the authority to engage with international counterparts for information exchange. Notably, Nigeria's Financial Intelligence Unit (NFIU) is a member of the Egmont Group, and the NFIU Act of 2018 underscores the importance of the unit's independence (Nigeria, 2018).

The landscape of agencies involved in assets tracking across borders is extensive, encompassing entities such as the Nigerian Police Force (NPF), Code of Conduct Bureau (CCB), Economic and Financial Crimes Commission (EFCC), Bureau of Public Procurement (BPP), NFIU, Independent Corrupt Practices and Other Related Offences Commission (ICPC), Nigerian Extractive Industries Initiative (NEITI), and the Special Control Unit against Money Laundering (SCUML). While this multi-agency approach reflects a comprehensive strategy, there is a need for effective coordination to avoid duplication of efforts and ensure a unified front against corruption.

As highlighted agencies with asset recovery powers include the police, CCB, ICPC, Federal Inland Revenue Services (FIRS), and the EFCC. Collaboration is mandated among various entities, including the CCB, EFCC, FIRS, BPP, NFIU, and SCUML. However, in practice, the mandates often overlap, leading to internal conflicts and a lack of cooperation among these agencies.

A critical aspect involves information sharing, where the NFIU plays a pivotal role by disseminating intelligence reports to entities such as the EFCC, ICPC, National Drug Law Enforcement Agency, Special Fraud Unit under the NPF, CCB, FIRS, and the Department of State Security. Despite this, the text notes that only the EFCC has a legal coordination mandate, resulting in challenges related to effective collaboration and communication.

## ii) Does the FIU have a legal framework or guidelines to facilitate the exchange of reporting of suspicious activity (for spontaneous dissemination and dissemination upon request)?

There is framework or guideline to facilitate the exchange of STRs and is being utilised

### Justification for the rating

Enacted in 2018, the Nigerian Financial Intelligence Unit (NFIU) Act provides a robust legal framework, empowering the NFIU to facilitate the exchange of crucial financial information. Nigeria's active membership in the Egmont Group of Financial Intelligence Units further underlines its commitment to international collaboration and information sharing, crucial components in the global fight against financial crimes (Nigeria, 2018).

Within the domestic financial landscape, banks operate under the mandate of conducting EDD processes. Compliance with the 2013 CBN Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Regulations requires these financial institutions to file monthly returns on all transactions involving PEPs. This regulatory framework enhances transparency and accountability in financial transactions, especially those involving individuals in positions of political influence.

To ensure effective operational coordination among various law enforcement and regulatory agencies, an operational-level working group has been established. This group comprises representatives from key entities such as the Police, the EFCC, ICPC, SCUML, and the NFIU. Importantly, the NFIU assumes a central role, chairing the group and overseeing the quality of intelligence generated. This centralized coordination is pivotal in avoiding duplication of efforts and ensuring a cohesive approach in addressing financial crimes.

Recognizing the significance of collaboration between regulatory bodies, the NFIU and the CBN are intricately connected. The CBN, in its collaborative role, not only adheres to regulatory requirements but also actively facilitates the wider sharing of general trends with the regulated sector. This proactive approach ensures that financial institutions stay updated on emerging threats and can adapt their risk management strategies accordingly.

## iii) Does the FIU have capacities (financing, human resources, and systems) to guarantee the exchange of information?

The FIU are well capacitated to guarantee exchange of information

### Justification for the rating

The NFIU stands as a central hub for processing and managing a wealth of information related to the financial activities of individuals and companies. Facilitating seamless coordination among various stakeholders, the Authorized Officers (AO) Forum convenes quarterly and comprises twenty-nine agencies, including the NFIU (NFIU). This strategic platform plays a pivotal role in fostering collaboration and communication within the financial intelligence landscape.

In the realm of information technology, the NFIU leverages the goAML144 reporting system, a robust tool that, as of 2023, enables the unit to link Suspicious Transaction Reports (STRs) to Bank Verification Numbers (BVNs). This

technological capability significantly enhances the NFIU's capacity to identify patterns and potential risks associated with multiple accounts, thereby fortifying its ability to combat financial irregularities effectively.

The NFIU's 2019 annual report provides valuable insights into the reporting dynamics within the regulated sector. Of the substantial 12,716 STRs filed, an overwhelming 99% originated from the banking sector, reflecting the sector's proactive role in reporting potential suspicious activities. While specific details regarding the content of the STRs remain undisclosed, the report offers meaningful statistics, indicating an average reported STR size of 45.31 million Naira or \$110,000. Similarly, the report unveils 7.8 million Currency Transaction Reports (CTRs), with 99% sourced from banks, featuring an average transaction size of 50.9 million Naira or \$123,800 (NFIU).

Despite the absence of explicit information about the standard fields used in STRs/CTRs forms, the text reiterates a crucial recommendation by the International Monetary Fund (IMF). Specifically, it emphasizes the inclusion of a field on beneficial ownership (BO) when reporting on legal entities and the importance of indicating whether an individual subject is a PEPs. These enhancements in reporting standards contribute to a more comprehensive understanding of financial transactions and risks.

Beyond the operational aspects, the text sheds light on the continuous professional development of staff within the NFIU and EFCC. The increasing participation in joint training exercises with counterparts in donor countries, coupled with obtaining advanced degrees from both Nigerian and international universities, underscores the commitment to excellence and adaptability in navigating the evolving landscape of financial intelligence.

**iv) Are there any significant legal restrictions to responding to mutual legal assistance requests (i.e., banking secrecy; restrictions related to the nature or status of the requesting counterpart, or on the sole grounds of fiscal matters, among others)?**

	A number of restrictions exist in responding to MLA requests
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**Justification for the rating**

The Mutual Legal Assistance Treaty (MLAT) in Nigeria serves various important functions, enabling the facilitation of voluntary attendance of individuals in the requesting State, temporary transfer of persons in custody for investigative purposes or as witnesses, identification, tracing, freezing, restraining, recovering, forfeiting, and confiscating proceeds, property, and other instrumentalities of crime. Additionally, MLATs empower the obtaining and preservation of computer data and provide assistance that aligns with the law of the requesting State.

However, in the Nigerian context, there are some notable challenges and limitations in the practical implementation of MLATs. There is evidence to suggest that certain MLATs may go unfilled or be drafted in a way that avoids exposing specific PEPs. This raises concerns about the potential manipulation or selective application of MLATs for political or personal reasons within the anti-corruption framework.

Moreover, practical limitations have been identified, including issues related to internal coordination in responses and the processing of MLATs. It is not always straightforward to ensure that requests are directed to the appropriate desks for approval and response. This internal coordination challenge may lead to delays or inefficiencies in the execution of MLATs, potentially hindering the timely and effective collaboration between countries in anti-corruption efforts (Anti-Corruption Evidence Programme, 2021).

**v) Is there a mechanism to facilitate the exchange of information between tax authorities and foreign counterparts (i.e., the OECD tax information exchange)?**

Some mechanism exist to facilitate the exchange of information between tax authorities and foreign counterparts

**Justification for the rating**

To a certain extent, Nigeria has implemented the Automatic Exchange of Information (AEOI) Standard, fostering collaboration with foreign counterparts. The Federal Government of Nigeria (FG) has proactively signed cooperation agreements with numerous countries, aligning with initiatives such as the OECD tax information exchange. These agreements establish mechanisms for the automatic exchange of financial and tax-related information between Nigerian tax authorities and their international counterparts.

The purpose of these collaborations is to collectively combat the menace of tax evasion by facilitating the swift and efficient exchange of crucial financial information. While Nigeria has demonstrated progress in transparency and the exchange of tax-related data, there is acknowledgement, according to the 2022 peer review report, that further enhancements are needed, particularly in the enforcement of the requirements outlined in these agreements. Strengthening the enforcement mechanisms is essential for ensuring compliance and optimizing the effectiveness of these information exchange mechanisms.

**vi) Do the agencies designated to facilitate cooperation and tracking of assets across borders have capacity (financing, human resources, and systems) to guarantee their mandate?**

The agencies mandated to facilitate cooperation and tracking of assets across borders have limited capacity

**Justification for the rating**

The relevant agencies in Nigeria possess some level of technical capacity with a good number of professional experts. The financing and systems are often time challenging to get. The extent to which the designated agencies in Nigeria can ensure cooperation and effective tracking of assets across borders depends on their capacity in terms of financing, human resources, and systems. While Nigeria has made progress in implementing mechanisms like the AEOI and signing cooperation agreements, the agencies involved must have sufficient capacity in the financing, human resources, and systems to fulfil their mandates successfully (CISLAC, 2021).

The Federal Government of Nigeria has entered into cooperation agreements with various countries, aiming to facilitate the exchange of financial and tax-related information. However, for these initiatives to be fully effective, the agencies involved need robust financial support, skilled human resources, and advanced systems. The 2022 peer review report acknowledges progress in transparency and information exchange but emphasizes the need for further improvements, particularly in enforcing the requirements outlined in these agreements. Enhancing the capacity of these agencies in terms of financing, human resources, and systems is crucial for ensuring their ability to track and cooperate on assets across borders effectively

## **B) Encouraging multi-institutional cooperation and strategies to ensure the effective detection and identification and tracking of African assets across multiple jurisdictions**

**i) Are relevant agencies adequately resourced to facilitate existing frameworks of cooperation and enable effective detection and identification and tracking of assets across borders?**

Relevant agencies have the resources to perform some of these tasks but not all.

### **Justification for the rating**

Anti-corruption agencies in Nigeria possess some level of technical capacity with a good number of professional experts. However, they do not have the resources and sometimes political will to be effective. The 2022 peer review report acknowledges progress but emphasizes the need for further improvements, particularly in the capacity of enforcement of requirements related to information exchange (CISLAC, 2021).

## **4.1.4 ENCOURAGING AND ADVOCATING FOR TRANSPARENCY**

**A) Simplifying the ability of source and destination countries to identify suspicious activities, wealth and transactions by: a) encouraging transparency and accessibility of information regarding remuneration of public officials in order to empower source and destination countries to easily conduct lifestyle audits of suspected officials**

**i) Is the remuneration of public officials (either specific or in bands) publicly available and accessible?**

Information is available but is not up to date or published regularly or easily accessible for members of the public or not available for all public officials or only covers part of their overall remuneration.

### **Justification for the rating**

To some extent, the remuneration of certain public officials in Nigeria is known, but the transparency diminishes when it comes to allowances for specific officeholders. FIs and Anti-Corruption Agencies (ACAs) rely on various information sources to determine whether a customer qualifies as a PEP or if their beneficial owner holds such status. Compliance with CDD standards, as outlined in the CBN AML/CFT/CPF Regulations, requires FIs to maintain up-to-date information (Central Bank of Nigeria (CBN), 2023).

Given that existing customers may assume PEP status after initiating a business relationship, FIs must vigilantly monitor non-PEP accounts for changes in PEP status, customer profiles, or account activities and promptly

update customer information. This monitoring should be risk-based. FIs have access to commercial databases that aid in PEP detection, and the CBN encourages obtaining information directly from customers through questionnaires and onboarding forms.

FIs can design questionnaires tailored to identify PEPs, including family members and close associates, requiring completion and signatures from customers and applicable beneficial owners. However, the text highlights a gap in the political and societal climate, noting that there is a lack of consequences for PEPs, even in cases where lifestyle audits and intelligence suggest illicit enrichment without evidence of the legality of acquired assets. Notably, the Panama Papers revealed the involvement of 110 Nigerians, including military leaders, politicians, civil servants, and religious leaders, without subsequent consequences for the implicated individuals.

**B) Simplifying the ability of source and destination countries to identify suspicious activities, wealth and transactions by: b) Signing onto global standards for transparency, particularly as an aid to developing taxation and legal systems to assist in responding to globalization and the behaviour of private sector actors and multi- national companies**

**i) Is the country a signatory or does it adhere to global standards such as the Extractive Industries Transparency Initiative (EITI), Exchange of Information on Request (EOIR), or Global Reporting Initiative (GRI)?**

The country is a signatory or adheres to global standards Extractive Industry Transparency Initiative (EITI), Exchange of Information On Request (EOIR) Global Reporting Initiative (GRI).

**Justification for the rating**

Nigeria is a signatory to the United Nations Convention Against Corruption (UNCAC), the African Union Convention on Preventing and Combatting Corruption(AUCPCC), the EITI initiative and the ECOWAS protocol against corruption.

**C) Simplifying the ability of source and destination countries to identify suspicious activities, wealth and transactions by: c) ensuring the creation of domestic beneficial ownership registers or other measures to encourage transparency regarding ownership**

**i) Is there a legal framework requiring the disclosure of beneficial ownership information?**

A law specifically addressing the disclosure of beneficial ownership information exists and is being implemented.

### Justification for the rating

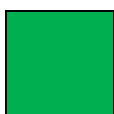
Nigeria's Company and Allied Matters Act (CAMA), 2020, specifically tackles the disclosure of beneficial ownership information (CAC, 2020)

The national Beneficial Ownership (BO) Register (<https://bor.cac.gov.ng/>) follows the web-based BO Portal introduced by NEITI in 2019. The NEITI BO portal, a pioneering effort globally and the first of its kind in sub-Saharan Africa, publicly discloses BO information for 43 oil and gas companies and 189 solid minerals companies. The portal is actively updated to include additional BO information, covering real names, identities, dates of birth, national identity numbers, and information on politically exposed persons.

Given the concerns highlighted in the interim report regarding the oil sector, there is support for integrating data from NEITI with that of CAC to strengthen Nigeria's central registry of company data. The CAC is encouraged to prioritize the implementation of CAMA provisions related to Beneficial Ownership. The efforts of NEITI are acknowledged and a recommendation is made to harmonize data captured by the CAC with NEITI, facilitating easy searches and sharing of change of ownership data with relevant authorities, particularly the Federal Inland Revenue Service (FIRS) and the CCB.

Further, a suggestion is made for the CCB to focus solely on the top level of public servants, streamlining reporting regimes for greater enforceability.

### ii) Are beneficial ownership registers publicly available and accessible?



Beneficial ownership registers are open and publicly accessible.

### Justification for the rating

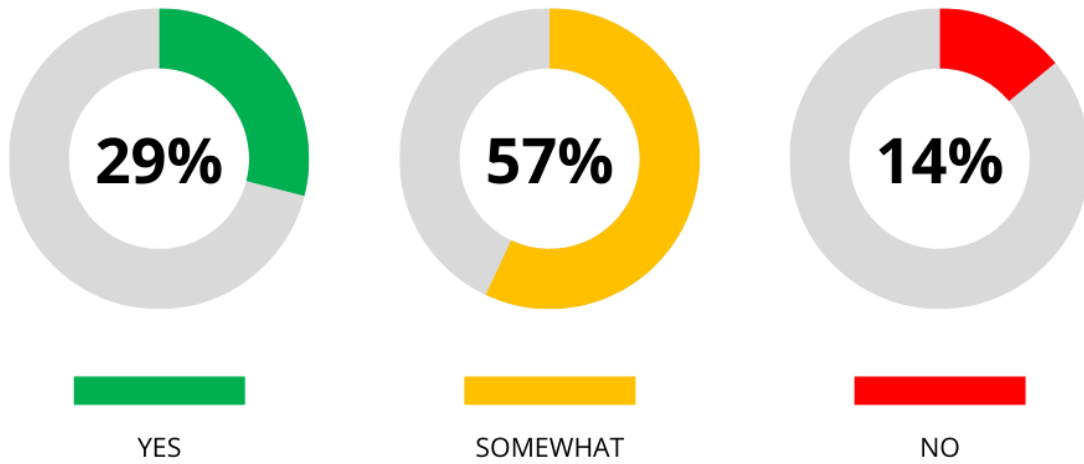
There is a supporting law for this initiative. In May 2023, Nigeria introduced a Beneficial Ownership register. However, it's crucial to recognize that the BO register should not be viewed as a standalone achievement; its effectiveness relies on the availability of accurate and timely ownership information to competent authorities, aligning with FATF Recommendation 24. Nigeria faces the challenge of obtaining and verifying the accuracy of the provided information, particularly confirming the legitimacy of the Beneficial Owners' names. This challenge extends to ensuring that the information is accessible to relevant agencies. In essence, the success of the Beneficial Ownership register hinges on addressing these challenges, emphasizing the need for a robust mechanism to obtain, verify, and make the information available to the competent authorities.

# PILLAR 2: RECOVERY AND RETURN OF ASSETS

## OVERVIEW

When it comes to the coordination of asset recovery initiatives, there is a gap due to the multi-agency nature of Nigeria's asset recovery space where different agencies have overlapping mandates. In a previous anti-corruption strategy, which ran from 2017 to 2022, there were provisions for asset recovery, however, this was not fully implemented. With the expiration of that strategy, there has been no new strategy developed and the current government which took over in May 2023 has not shown any interest for anti-corruption-related efforts.

In the international area, there has been progress as Nigeria has continuously advocated for the repatriation of assets not just to Nigeria but the African region (AfricaNews, 2019).



*Pillar 2 results*

## 4.2.1 PRIORITIZING THE RECOVERY OF AFRICAN ASSETS

### A) Implementing strategies to ensure the simplification of technical and legal processes involved in asset recovery

#### i) Does the country have an asset recovery strategy?

	Draft strategy pending approval exists or a strategy exists but only covers some of the areas relevant for asset recovery.
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#### Justification for the rating

To some extent, Nigeria lacks a clear asset recovery strategy. While asset recovery was once part of its National Anti-Corruption Strategy (NACS), the NACS has since expired. Attempting to address this gap, the Proceeds of Crime (Management and Recovery) Act assigns the Attorney General the task of coordinating international recovery efforts. However, this falls short of constituting a comprehensive strategy. Consequently, coordination becomes challenging, and there is an overlap of mandates.

Agencies possessing asset recovery powers include the police, CCB, Independent Corrupt Practices and Other Related Offences Commission (ICPC), Federal Inland Revenue Service (FIRS), and the EFCC. Collaboration is mandated among the CCB, EFCC, FIRS, Bureau of Public Procurement (BPP), Nigerian Financial Intelligence Unit (NFIU), and SCUML. To some extent, the remuneration of certain public officials in Nigeria is known, but the transparency diminishes when it comes to allowances for specific officeholders. Financial institutions (FIs) and Anti-Corruption Agencies (ACAs) rely on various information sources to determine whether a customer qualifies as a PEP or if their beneficial owner holds such status. Compliance with Customer Due Diligence (CDD) standards, as outlined in the CBN AML/CFT/CPF Regulations, requires FIs to maintain up-to-date information..

Regarding information-sharing mandates, the NFIU, both during its operational time within the EFCC and as an independent entity, disseminates intelligence reports to various agencies, including the EFCC, ICPC, National Drug Law Enforcement Agency, Special Fraud Unit under the Nigerian Police Force, CCB, FIRS, and the Department of State Security.

#### ii) Is there an agency designated and/or plan in place for ensuring that the strategy is implemented?

	Lack of clarity on which agency is responsible or gaps in plan for implementation.
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#### Justification for the rating

The National Anti-Corruption Strategy which has expired was under the Attorney General of the Federation (AGF) and Minister of Justice. However, the office is mandated to coordinate all international asset recovery initiatives. The coordination is difficult, and mandates overlap. Those with asset recovery powers include the police, CCB, ICPC, Federal Inland Revenue Services (FIRS) and the EFCC. Those mandated to collaborate include the CCB, EFCC, FIRS, BPP, NFIU and SCUML. In terms of mandated information-sharing, the NFIU, now and when it was operationally part of the EFCC, disseminates intelligence reports to the EFCC, ICPC, the National Drug Law

Enforcement Agency, the Special Fraud Unit under the NPF, the CCB, FIRS, and the Department of State Security. Only the EFCC has a legal coordination mandate

**C) Advocating for the advancement of global financial architecture, to gear it to aid the recovery of African assets; D) Advocating for destination countries to remove barriers to asset recovery and return, including by simplifying their legal procedures and preventing abuse of those procedures**

**i) Has the country engaged in advocacy initiatives in the past three years targeting the global financial architecture or destination countries in order to remove barriers to asset recovery and return?**

There has been extensive engagement in advocacy targeted at the global financial architecture or destination countries to address barriers to asset recovery and return.

**Justification for the rating**

There has been extensive engagement by not only the Nigerian government but the civil society organisations around asset recovery. This has included destination countries like Switzerland, the UK, the US, France and other nations around the recovery of assets. This has yielded much fruit as Nigeria has recovered billions in USD of assets in the last two decades (Civil Forum for Asset Recovery , 2023).

**ii) To what extent have these advocacy initiatives been in line with the regional focus prescribed by CAPAR?**

Advocacy initiatives are aligned with CAPAR.

**Justification for the rating**

Yes. The advocacy has been aligned with the CAPAR initiatives. The Nigerian government proposed the Common African Position on Asset Recovery CAPAR and appears to be the key driver of the initiative as it has a large number of asset recovery cases, the highest volume of illicit financial outflows, notable organisational and individual competency in asset recovery cases and a substantial track-record in recovered assets.

## 4.2.2 STRENGTHENING LEGAL AND FINANCIAL INSTITUTIONS TO AID THE PROCESS OF ASSET RECOVERY

### A) Establishing appropriate institutions at a domestic and regional level for the recovery of African assets and strengthening existing domestic or regional institutions for recovery of African assets through enhanced capacity

#### i) Are there agencies in place mandated to pursue the recovery of stolen assets?

Agency involvement, but unclear or limited mandate or multiple agencies in place with overlapping mandates and lack of clarity on distinct roles.

#### Justification for the rating

Nigeria has agencies with mandates to recover assets. However, there is a lack of clarity in their roles, and the Proceeds of Crime Management Act 2022 (Nigeria, 2022) did not effectively address this issue. As a result, there are over seven agencies tasked with asset recovery. The regulations grant the Attorney General authority to take charge of the custody and management of all finally forfeited assets, regardless of the respective law enforcement agencies' laws on asset recovery.

The Attorney General is empowered to approve and appoint asset managers, operate and maintain a centralized database for storing records of all recovered assets within and outside Nigeria, even for non-conviction-based forfeitures. In 2020, the Attorney General launched an Asset Recovery and Management Unit under his office, expecting all law enforcement agencies to utilize this platform to coordinate asset recovery efforts in the country.

However, there are challenges evident in the distribution of recovered assets by state, as a chart on the website lacks labelled axes for units or years. Additionally, the underlying data is restricted behind a firewall, accessible only to the Attorney General and ten related agencies. This presents limitations in terms of transparency and access to information on recovered assets (CISLAC, 2019).

#### ii) Do the institutions in place have capacity (financing, human resources, and systems) to guarantee efficient asset recovery?

Capacity exists in one or two key areas (financing, human resources, and systems) but lacks capacity in other areas.

#### Justification for the rating

Somewhat. Some of these institutions have capacity in human resources. However, the financial capacity and political independence are absent. As per the global experience, large asset recovery cases are financially and technically complicated and ACAs cannot cover the needs internally. Outside expertise in form of lawyers, intelligence, operational capacity is outsourced and very costly at times (CISLAC, 2019).

**iii) Is there effective coordination and collaboration among the institutions mandated with anticorruption and asset recovery interventions?**

	Coordination is poor. Institutions work in silos and/or are competitive; and/or delay in exchanging or sharing information
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**Justification for the rating**

Coordination is poor and these agencies often complete and work in silos with over 20 agencies involved in AR. The problem is however recognized, and some modest progress has been made. (CISLAC, 2021)

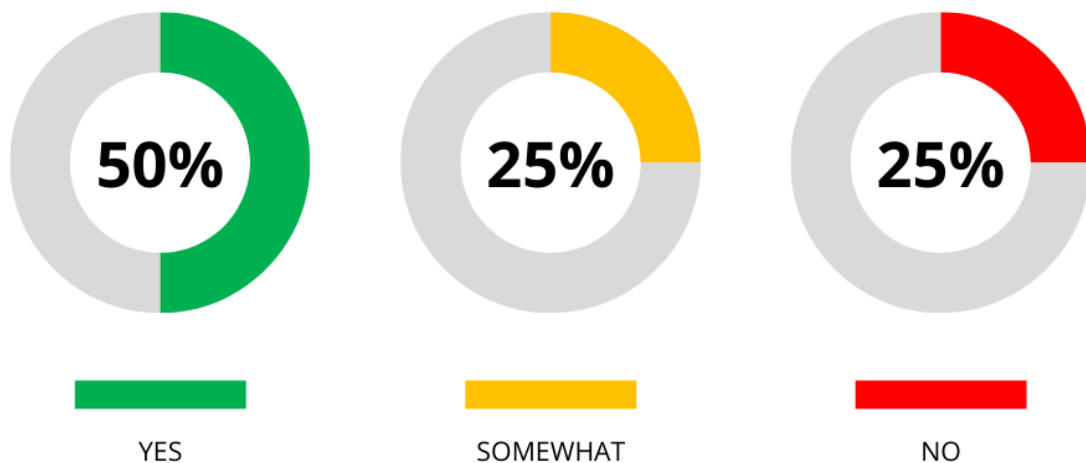
# PILLAR 3: MANAGEMENT OF RECOVERED ASSETS

## OVERVIEW

Nigeria's parliament successfully passed the Nigeria's Proceeds of Crime (Recovery and Management) Bill 2022, and this was assented to by Nigeria's former president. This law saw the provision of legal frameworks that guide the recovery, management and disposal of assets. While there was no progress in ensuring that the functions were centralized in an agency, the law was able to ensure that each agency with the mandate to recover assets set up a directorate to manage these assets (Nigeria , 2022).

The challenge with this is that the implementation of the Act has not been fully carried out. For example, the Act requires these institutions to keep records of recovered assets, but these are not publicly available to citizens. There are also no periodic updates by all these agencies with the mandate to recover assets on how many assets they have recovered and disposed of.

Furthermore, there is a challenge with the coordination of the asset recovery process as this function lies with about ten different agencies who have the power to recover and manage assets.



*Pillar 3 results*

### 4.3.1 CREATING AND MAINTAINING AN AGREED FRAMEWORK FOR MANAGEMENT OF RECOVERED ASSETS

**A) Preserve the value of seized and confiscated assets for the benefit of the source countries, B) Ensure accountability, transparency and boost public confidence in the asset recovery process**

**i) Is there a framework in place for the management of recovered assets?**

A framework for managing recovered assets exists and covers all kinds of recovery and all forms of asset

#### **Justification for the rating**

Nigeria has enacted the Proceeds of Crime (Recovery and Management) Act 2022, which took nearly 20 years to pass with the substantial involvement of CSOs and the international community (Nigeria , 2022). This act has sections provided to cover a wide range and forms of assets and it cuts across all the agencies with the powers and mandates to recover assets. It also directs these agencies to auction these items and ensure they pay the proceeds into a dedicated account within the Central Bank of Nigeria.

**ii) Does the framework make specific provision for measures to preserve the value of seized and confiscated assets?**

Comprehensive provisions for preserving asset value exist and in practice assets can be managed in a way that preserves their value.

#### **Justification for the rating**

The Nigerian Proceeds of Crime (Recovery and Management) Act 2022 provides measures to preserve the value and confiscate seized assets (Nigeria , 2022). Section 14 of this Act directs the relevant agencies to seek a preservation order from the Court. After this is sought, it grants the relevant institution to ensure that assets are properly managed. It provides for the continuous running of businesses where necessary and the disposal of assets where it is not economically viable. This section also covers the appointment of asset managers for assets, amongst other provisions.

**iii) Does the framework require regular, public and accessible reporting on assets seized and confiscated?**

Reporting obligations exist but do not require regular, public or accessible reporting on assets seized or confiscated. Regular means at least once per year. There is no reliable information in the public domain about sums recovered, especially domestically.

**Justification for the rating**

The Nigerian Proceeds of Crime (Recovery and Management ) Act 2022 provides for the establishment of a central database and also an inventory for recovered assets. However, it does not clearly require public periodic public reporting.

**iv) Does the country provide regular publicly accessible reports on returned assets?**

	No reports on the management and reuse of recovered assets.
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**Justification for the rating**

Information on recovered assets is not publicly available. Citizens read about numbers captured in media reports or briefings by these agencies however, it is difficult to find a periodic update on this by the relevant anti-graft institutions.

**4.3.2 ENHANCING OR CREATING INSTITUTIONAL, LEGAL OR POLICY FRAMEWORKS****A) Establishing a recovered asset management agency or designation of an existing entity for management of returned assets with clear administrative powers and responsibilities for transparency and accountability****i) Is there an institution(s) or agency mandated to manage recovered assets? Or have alternative arrangements been put in place (e.g. asset managers)?**

	There is no clear mandate although some designation and/or multiple institutions are involved with overlaps or gaps.
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**Justification for the rating**

There is no specific institution with the mandate to manage recovered assets. Numerous agencies recover assets and their mandates overlap. Efforts to merge this caused the delay in the enactment of Nigeria's Proceeds of Crime (Recovery and Management) Act 2022 and when it was finally passed the compromise was to establish "Proceeds of Crime Management Directorates" in all the agencies with mandates to recover assets.

**ii) Does the designated institution or agency have clear administrative powers?**

	Clear administrative powers are outlined that establish how the agency should manage recovered assets.
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**Justification for the rating**

Yes. The institutions responsible for asset recovery in Nigeria have established Proceeds of Crime Management Directorates, each with clear powers (Nigeria , 2022). In 2020, the Attorney General initiated the creation of an Asset Recovery and Management Unit under his office. This unit serves as a central platform for coordinating asset recovery efforts across all law enforcement agencies in the country.

On the official website, there is a chart displaying the 'Distribution of Recovered Assets by State.' However, it is noted that the axes on this chart lack labels for units or years, potentially affecting the clarity of the information presented.

It's important to highlight that the underlying data supporting the chart is secured behind a firewall, allowing access only to the Attorney General and related agencies (ten in total). While this measure may ensure data security, it raises concerns about transparency and public accessibility to information on recovered assets.

### iii) Does the designated institution or agency have requirements to ensure transparency and accountability in its actions towards the general public?

	The institution(s) or agency(s) have some obligations to report but these are only indirect (e.g. to parliamentary committees) and/or do not specify the form of reporting and/or do not require detailed disclosure of their activities.
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**Justification for the rating**

These directorates do not publicly report on their activities. However, they can be summoned by parliament which has oversight powers over institutions in Nigeria. The Nigerian Freedom of Information Act (FoIA) 2011 has provisions for proactive disclosure. But this is not usually followed.

## B) Creating or establishing, in accordance with domestic laws, a central returned asset account in local and designated foreign currencies

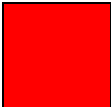
### i) Is there a central account or fund for recovered assets?

	Established central account or fund for recovered assets exists and is implemented.
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**Justification for the rating**

The Proceeds of Crime (Recovery and Management) Act 2022 established a designated account known as the "Confiscated and Forfeited Properties Account" which is to be maintained by the Central Bank of Nigeria (Nigeria , 2022).

**ii) Are records on recovered assets in the central account or fund published and publicly accessible?**

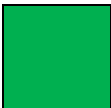
 Records not published or accessible.

**Justification for the rating**

Records regarding this account are not published.

**C) Codifying or adopting domestic and regional policies on use of returned assets for development, meeting sustainable development goals or implementing any other social investment projects as deemed fit by the Member State**

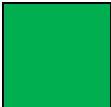
**i) Is there policy on how recovered assets are to be used and who they are to benefit?**

 Policy clearly outlining asset use and beneficiaries exists.

**Justification for the rating**

The Proceeds of Crime (Recovery and Management) Act 2022 stipulates how these assets should be disposed of. Amongst other reasons, it also factors in the compensation of victims (state or person).

**ii) Does this policy require that returned funds are used for development, meeting sustainable development goals or implementing any other social investment projects?**

 Requirements to allocate funds for development and social investment projects are clearly established.

**Justification for the rating**

It provides a range of options which include programmes approved by the president. However, it does not mention social investment.

### 4.3.3 IMPLEMENTING STRATEGIES TO ENHANCE TRANSPARENCY IN THE MANAGEMENT OF RECOVERED ASSETS

#### A) Permitting monitoring the use of recovered assets by interested and relevant stakeholders, at their cost and in accordance with domestic laws

i) Is there a framework or provision in the existing policy that provides for the participation/involvement of citizens, media, private sector and CSOs in monitoring the use of recovered assets?

	No framework for inclusion and participation exists.
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#### Justification for the rating

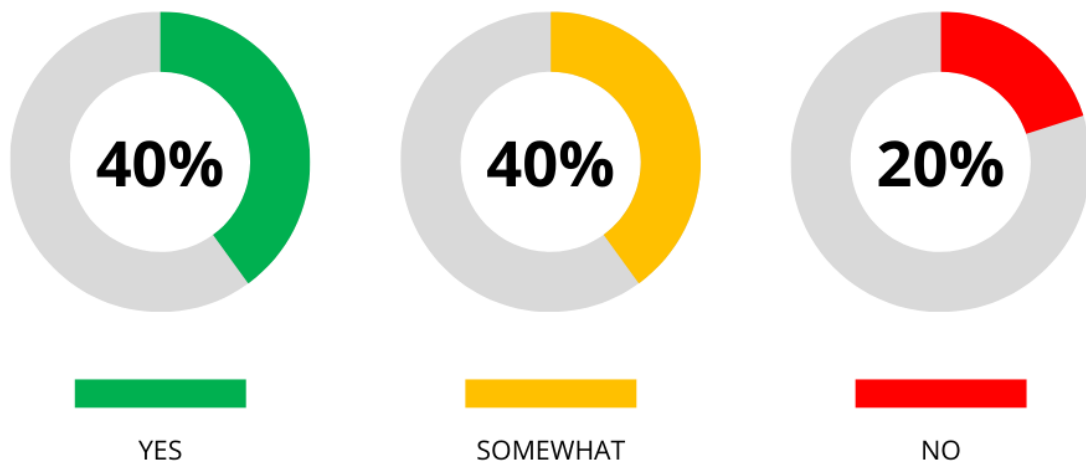
No framework for the inclusion of citizens in the proceeds of crime law. However, Nigeria is a signatory to some principles like the GFAR and other principles which seek civil society participation. But these are not legally binding. However, Nigerian CSOs have a global influence in shaping the asset recovery landscape and have built substantial expertise in all phases of the asset recovery process.

# PILLAR 4: COOPERATION AND PARTNERSHIPS

## OVERVIEW

Within the Africa region and West Africa sub-region, Nigeria has contributed greatly to issues around asset recovery. Nigeria has forged partnerships with different countries to ensure a united African push for the recovery and repatriation of assets back to the region. This was seen in the push for the CAPAR spearheaded by Nigeria (African Union, 2022). Furthermore, Nigeria has also led the continent in terms of recovered assets with recoveries of over USD 5 billion in the last two and half decades. It is important to state that while there has been progress, there is a need to ensure that these recovered assets are properly managed and this has been a major challenge (CISLAC, 2021).

When it comes to engagement with citizens and civil society, there is much work to be done especially due to the absence of mechanisms like whistleblower protection channels for citizens to report corruption related issues.




*Pillar 4 results*

#### 4.4.1 PRIORITIZING COOPERATION AND PARTNERSHIPS THROUGH ADVOCACY AND ENGAGEMENT

##### A) Ensuring greater involvement of civil society and the media in accountability processes, in accordance with domestic laws, and enhanced international coordination and cooperation in this area


i) Is there a mechanism or channel for provision of information to CSOs and the media?

 There is a mechanism or channel for information sharing but it is selective or limited or irregular.

##### Justification for the rating

There is no formal mechanism or channel for the provision of information to CSOs that is established by law. However, different agencies have engagements with civil society and the media on this and provide some information. There is also the creation of committees with some CSO representation. Informal contacts across the state and non-state actors are very frequent, supported and very beneficial for the state institutions and the AR process.

ii) Is there an accountability mechanism for whistleblowers, citizens, CSOs and the media to raise concerns over misappropriation and other misuse of returned funds?

 No channels for reporting concerns or seeking redress exist.

##### Justification for the rating

There is no clear channel to report the misuse of returned funds. However, there are existing laws that citizens can use to make petitions. However, the response is usually very slow and they are sometimes politicised.

#### 4.4.2 ENHANCING COHERENCE AND COOPERATION BETWEEN DOMESTIC, REGIONAL AND GLOBAL SYSTEMS, FRAMEWORKS AND INSTITUTIONS

**A) Encouraging and ensuring institutional, domestic, regional and global cooperation by: a) Ensuring that agencies and government departments are working together towards the goal of efficient and effective asset recovery, through information sharing and combatting corruption**

**i) Are the various asset recovery agencies mandated or able to become a member of/or participate in regional networks, such as ARIN- EA, ARIN-SA, ARIN-WA?**

	Agencies are empowered to and do participate in regional asset recovery networks.
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##### **Justification for the rating**

Nigerian anti-corruption institutions are very active and participates in regional (ECOWAS, AU) and global (UN, EU,) engagements. A testament to this is the CAPAR which was an initiative led by the Nigerian government which contributed to the designation of the former Nigerian President, Muhammadu Buhari as the African Union anti-corruption champion in 2019 (AfricaNews, 2019). The attorney general of the Federation who doubles as the Minister of Justice in Nigeria has the power to lead international engagements (CISLAC, 2019).

**ii) Is there a strategy in place and implemented for coordination between various institutions, bodies and agencies responsible for asset recovery?**

	A strategy is in place but has only limited adoption or implementation or only coordinates between some relevant institutions, bodies and agencies.
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##### **Justification for the rating**

The attorney general and Minister of Justice of Nigeria is tasked with coordinating asset recovery initiatives of all the agencies. However, this coordination has not been effective (CISLAC, 2021).

**iii) Are there policy, and legal frameworks facilitating mutual legal assistance (MLA) in corruption cases published and accessible?**

	A comprehensive law or regulation exists and is published, a guide for other interested states in how this works in the country is published and both are easily accessible
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**Justification for the rating**

Nigeria enacted the Mutual Assistance in Criminal Matters Act in 2019 (Business Day, 2019). Additionally, the country is a signatory to the United Nations Convention against Corruption (UNCAC), facilitating the cross-sharing of information. However, challenges exist in terms of cross-border support and investigations. When funds move overseas, Nigerian agencies face obstacles, believing that international cooperation and support are essential to advancing cases, despite the presence of Mutual Legal Assistance Treaties (MLATs) in criminal matters. It's reported that some MLATs are intentionally not drafted to avoid exposing senior politicians. From the Nigerian perspective, MLATs are often perceived as being offered to serve the interests of the overseas state, with a focus on their benefit rather than on Nigeria as the victim state.



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