Imperative of Strengthening Nigeria’s Transparency and Accountability Measures
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Transparency and accountability are widely acknowledged as fundamental to the actualisation of good governance and sustainable development. Despite the widespread perception about the prevalence of corruption in Nigeria, successive administrations over time have introduced many transparency and accountability measures to check the menace of corruption and enable good governance in Africa’s most populous country and biggest economy. There has been an uptick of these sunshine and restraining measures since the return of democracy in 1999. The surge has been attributed to demands of openness and accountability embedded in democratic practice as well as the increased interest and support by reformers, citizens, civic groups and development partners. As Nigeria prepares for a new government, a stocktaking of the transparency and accountability measures is desirable. This is to ensure that the zeal for transparency and accountability is sustained and that the prevailing measures are fit for purpose, and further strengthened and institutionalised. Whether now or in the future, Nigeria clearly needs more transparency and accountability, not less.

Transparency and accountability measures are put in place to enthroned good governance in general and, specifically, to curtail corruption, which has been rightly described as the bane of the Nigerian society. Though a few derive disproportionate benefits from it, corruption stifles development and imposes a high cost on individuals, businesses, and the country at large. The heavy cost that corruption inflicts on Nigeria has been well documented in various studies, three of which are worth highlighting. The first which is a 2019 study conducted by the National Bureau of Statistics (NBS) which revealed that “on average, bribe-payers pay an amount equivalent of up to 6% of the average annual income of Nigerians.” The second is a 2009 African Peer Review Mechanism (APRM) report that identified corruption as the greatest and most troubling challenge to Nigeria’s ability to realise its huge development potential. The third is a 2016 report by PriceWaterhouseCoopers’s which estimated that Nigeria risks losing up to 37% of its GDP to corruption by 2030, if the scourge is not dealt with immediately.

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The scope of transparency and accountability breaches in Nigeria is expansive and its prevalence straddles both colonial and post-colonial eras. Various governments have responded differently to the threats posed by these breaches. Some of the solutions indicated in different policies, legal frameworks, institutions and enforcement procedures have succeeded, while others have failed because of political interference and poor implementation.

In addition to acknowledging these threats, various administrations in Nigeria since 1999 have also identified transparency and accountability as priority interventions to manage and overcome these threats. At the core of these interventions are various measures and approaches that have resulted in different policies and practices mainstreamed in social norms and values, public financial management, open disclosure requirements, and punitive enforcement. On the approach of social norms and values, assets declaration by public officers and routine audits and oversight of public accounts have been a core focus of many administrations, all of these intensifying since the return to civil rule in 1999.

The renewed attention on the operations of the institutions saddled with these responsibilities—i.e., the Code of Conduct Bureau (CCB) and the Office of the Auditor-General of the Federation (OAuGF)—has made evident some of the challenges these institutions face in delivering their mandates, as well as inefficiencies that need to be addressed before Nigeria can attain a high level of transparency and accountability. Among such challenges are the vexed issues of non-disclosure and non-verification, by the CCB, of assets declared by public officials. Yet, these are necessary preconditions for transparency and accountability. It is important to fix these challenges, in addition to the perennial problem of poor budgetary allocations.

Like assets declaration, the practice of routine audit and public accounts oversight has not maximally benefitted the country. It is curious as well that Nigeria still operates a colonial audit law passed in 1956. The connotation aside, contemporary audit challenges have moved beyond what the law can sufficiently handle, prominent among which are requirements of independence and the powers to sanction erring MDAs by the Auditor-General of the Federation (AuGF).

Impelled, more or less, by the exigencies of public financial management (PFM), the government devised a number of transparency- and accountability-inspired policies aimed at redressing highly volatile and poorly managed fiscal policy practices that were both inconsistent with budgetary frameworks/processes, and reflected a lack of value for public spending. Based on the National Strategy of Public Service Reform (NSPSR) developed by the Bureau of Public Service Reform (BPSR), the government set out to strengthen governance and accountability through improved budgetary, fiscal and monetary planning, and to enhance implementation through innovative policies and enforcement mechanisms. This commitment led to new policies, legislations, institutions and practices under which fiscal responsibility, public procurement and e-payment were emphasised. The resulting Government Integrated Financial Management System (GIFMIS), Integrated Payroll and Personnel Information System (IPPIS), Treasury Single Account (TSA) and Bank Verification Number (BVN) and Know-Your-Customer (KYC) policies brought significant improvement to PFM practice, though with some pains as expected of every change.

Creation of a central salary payment platform led to a reduction in federal workforce

52,000
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Technology was also leveraged to deliver several initiatives of open disclosure and punitive enforcement, including publication of sub-national disbursements, extractive revenue earnings, access to information and beneficial ownership in the extractive sector, open treasury portal and whistleblowing. Like the reforms in the PFM, there have been remarkable successes recorded, especially in terms of leakages blocked and revenues saved. For instance, the creation of a central salary payment platform led to a reduction in federal workforce by 52,000, while the introduction of TSA has witnessed a significant increase in government revenue. Like others, the open disclosure reforms have had their challenges, from flimsy to major. With regard to the latter, the policies have been beset by claims of absence of certitude relating to payment sums, susceptibility to errors and questions of congeniality to conditions of employment, and irregularities and delayed release of government information.

On a practical note, however, the complementary measures deployed to foster and institutionalise transparency and accountability have produced significant results, even as they have thrown up challenges and, in a few instances, complicated old problems.

This report reviews and examines interventions in the four domains of transparency and accountability in Nigeria: norms and values approach; public financial management approach; open disclosure approach; and consequence management approach. The overall goal is to make a case for the need to strengthen these measures and proffer suggestions on what to do. The report concludes that for Nigeria to achieve its developmental outcomes it needs more effective and more impactful transparency and accountability measures, not less.

A commonly held notion amongst a vast number of Nigerians is that the government is not quite committed to improving public welfare. This cynicism drains the government of the social trust required to initiate and effectively execute programmes and projects that can transform the lives of the citizens and stabilize the polity. It also denies government the feedback and participation required to make the best decisions. Lack of transparency and accountability damages legitimate and effective governance and often leads to possible collapse of democratic governance and sustainable development. To avoid these outcomes, the Nigerian governments at all levels should focus efforts at:

- communicating effectively to citizens all policies and programmes promoting good governance, democracy and sustained economic growth;
- communicating effectively, the expected challenges faced in the administration’s effort to deliver on its promises as to mobilize citizens for remedial work;
- building trust between the governed and the government, and to begin the process of collaborative partnership in the nation-building process; and
- promoting good governance by allowing for accountability, transparency, and participation in all government processes.

Despite its chequered political history, Nigeria has made some significant social and economic progress. But that progress could be much bigger. In order to catalyse this process, there is need to create a framework that inspires a civic renaissance in Nigerians to collaborate with the government in fulfilling their own part of the social contract, and by adhering to the rule of law.
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The history of failed economic and social development in Nigeria makes the widespread mobilisation of Nigeria’s natural and human resources even more exigent. It also calls for greater degree of commitment to development process by the political elites. To enhance popular support for government, the importance of restoring the people’s confidence in the machinery of public governance as well as the integrity and commitment of public officials cannot be gainsaid. The distrust of government mostly derives from a lack of transparency and accountability in the governance process.

In furtherance of the goal and the conclusion, the report makes the following recommendations:

A. Federal Government Only

Prioritizing legislation and legal reforms:

✦ Passage of the Whistleblowing Law: Government should push for the passage of the bill on whistleblowing with utmost diligence and urgency. The bill, when enacted, should be complemented by the deployment of electronic portals for independent and confidential reporting of infractions. Also, there should discreet and robust mechanisms for investigating and acting on the claims.

✦ Amendment of the provision of Paragraph 3(c) of the Third Schedule of the Constitution of the Constitution of the Federal Republic of Nigeria is required. The provision empowers the CCB to make assets declared to it “available for inspection by any citizen of Nigeria” only on “terms and conditions as the National Assembly may prescribe”. An amendment is needed to ensure that CCB can make public details of assets declared by public officials. This will serve as a check against false declaration, and increase the transparency value of the asset declaration process. The amendment, however, should accommodate best practices in privacy and data protection as done for beneficial ownership disclosures.

✦ Verification of declared assets to the CCB to ascertain the veracity of claims by the declarant should be considered an essential component of the quest to strengthen transparency and accountability. Ideally, verification of declared assets should leverage complementary efforts of members of the public under a potent whistleblowing and whistleblower protection regime.

✦ President Muhammadu Buhari should sign the Federal Audit Service Bill into law before he leaves office. The bill, which was passed by the National Assembly on 29 March 2023, repeals the Audit Ordinance of 1956. The bill strengthens the operations and independence of the Office of the Auditor General of the Federation (AuGF). It aligns with the present times and with global best practices by Supreme Audit Institutions (SAI) and it enhances the utility of auditing as a powerful transparency and accountability mechanism. President Buhari refused assent to an earlier version of the bill passed by the 8th National Assembly. He should quickly assent to the 2023 version once he receives a clean copy from the 9th National Assembly. Whatever misgivings the president may have can be accommodated in subsequent amendments. President Buhari should see the law as one of his parting gifts to the country.
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Nudging a little more beyond legislation by Ministries, Departments and Agencies

- **Motivational Factors and incentives need to get deserved priority:** Beyond enacting and amending laws, the push for transparency and accountability must explore motivational factors and incentives for compliance, bearing in mind that the transaction cost for complying with the law is as important as the damage to non-compliance. This is what the experiences at CCB and OAuGF show. Thus, to make compliance with the law less expensive and more efficient, procedural and institutional reforms are necessary to minimise administrative hurdles that provide opportunities or even the attraction to breach transparency and accountability rules.

- **Continuous investment in technology and training needed:** As challenging as its deployment across the different intervention spaces may appear, technology remains the greatest enabler of transparency and accountability. Depending on the sophistication of the technology and the expertise of the managers, e-payment platforms are near-accurate output delivery facilities best suited for realising a well functional PFM system. This is similarly true of other technology-driven open disclosure platforms such as BO and OTP. Thus, rather than contemplate the idea of going back on technology-driven platforms such as GfMIS, IPPIS and the rest, the focus should be on how to improve their deliveries and build capacity for more effective use to strengthen transparency and accountability.

- **Capacity development should be prioritised as cross-cutting.** Across the board, training is needed to improve capacity in: the CCB where verification of assets declared is needed, the OAuGF where a repeal and re-enactment of a new audit law is required, the diverse PFM and open disclosure clusters where e-payment and electronic collection and dissemination of information have become a huge issue of concern, and the punitive cluster spaces of the EFCC and ICPC where anti-corruption data are not up in record time. Capacity building to bridge gaps in technical knowledge and skills will go a long way to enhance the effectiveness of the relevant personnel in these institutions and, ultimately, strengthen transparency and accountability.

- **Launch a comprehensive and well-thought-out national value reorientation programme that creatively seeks to change the dysfunctional values, attitudes, and narratives that wittingly and unwittingly enable public corruption.** The impact of the current emphasis on systems and sanctions will be limited without changes in societal values.

- **Undertake rigorous background checks on the boards, leaderships and staff of institutions with anti-corruption mandates and institute adequate safeguards on the exercise of oversight powers.** These measures are needed to ensure that there is a symmetry between the mandates of these critical institutions and the values of those who work in and lead them, that there are measures for ‘watching the watchdogs’, and that the anti-corruption institutions are not undermined by the same ills that they were set up to tackle.
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B. Federal-State Governments’ Collaboration

Prioritizing policy harmonization among the federating units by Federal Executive Council and Governors’ Forum

Notwithstanding the structure of Nigeria’s federalism, policy harmonisation around transparency and accountability is still possible. Beyond demonstrable efforts in the enactment of fiscal responsibility and public procurement legislations, subnational governments, especially those currently implementing OGP, can better leverage automation to strengthen transparency and accountability. In other words, national and subnational governments should consider exploring commitments under the OGP to use technology as a major plank for strengthening governance and transforming service delivery in health, education and security. The net result will be greater value for money, better public services, improved business environment and increased public trust. Beyond OGP, the National Economic Council (NEC), chaired by the Vice President, is an appropriate place to bring subnational government into a learning process on transparency and accountability reforms. Such efforts will enable coherence and reduce the gaps that the criminally-minded often exploit to the disadvantages of society. To achieve this, negotiations should start from what is common and binding to the different tiers of government (e.g., joint tax board and income tax) across laws, to leveraging platforms and practices such as NEC, National Chart of Account (NCoA) and the World Bank-supported States Fiscal Transparency, Accountability and Sustainability (SFTAS) Performance for Result (PforR) programme.

C. Non-State Actors and Development Partners

Redefining transparency and accountability to align with insights about social habits and collective action:

There is need to seek a sociological approach to enthroning transparency and accountability, an approach that is more nuanced, targeted and contextual. This requires a deeper analysis of the different features of transparency and accountability breaches and corruption challenges within and outside of the rubrics of official procedures and structures. This will provide a good lever for a deeper understanding of the diverse issues and different nuances on the lack of transparency and accountability in the public sector and help in designing and implementing solutions that are feasible and effective.
Increasing active and participatory citizenship by Civil Society and Media

Active and participatory citizenship is a key ingredient of transparency and accountability. The greater interest shown by the civil society, media, and citizens in the work of the institutions handling the interventions reviewed in this paper provided the pointer to their shortcomings and the challenges they face. It is true that Nigeria’s grim experience with military rule may have entrenched a culture of exclusion of citizens in governance. However, over two decades after the return to civil rule, it is expected that public officials would have realised the harm opacity and corruption inflict on development, especially efficient service delivery and high quality of life. More efforts are required to mainstream and sustain transparency in a sense that assesses the initiatives reviewed against the milestones and challenges discussed in this paper, while appreciating new vistas created and how best to navigate and deploy solutions to attain them.
About Agora Policy
Agora Policy is a Nigerian think tank and non-profit committed to finding practical solutions to urgent national challenges. We conduct policy research, facilitate frank and purposeful dialogues, and build capacity for governance, policy and advocacy.

About the IIAPP Project
The Informed, Inclusive and Accountable Public Policies (IIAPP) project is designed to achieve three things: one, to maximise the opportunity provided by the electioneering and transition periods and beyond to sustain attention on and further mainstream transparency, accountability, gender equity and social inclusion into policy and governance discourse in Nigeria; two, to generate original and credible evidence before, during and after the 2023 elections to focus the attention of the country on key policy areas and, ultimately, the adoption of sensible, inclusive and effective policies on key national challenges; and three, to deepen the capacity of state and non-state actors to undertake evidence-driven policy analysis, design, implementation and advocacy. The IIAPP is supported by the MacArthur Foundation.