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IMPLEMENTATION OF 2016 LONDON ANTI-CORRUPTION SUMMIT AND GFAR COMMITMENTS IN NIGERIA

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PREFACE

Corruption has remained a major clog in the wheel of inclusive growth and sustainable development in most developing countries, including Nigeria.

Corruption has its linkages in both countries of the North and South and as such, it is widely believed over the years that only a multi-stakeholder approach will provide the needed pathway to addressing the hydra-headed problem. This perhaps explains why in May 2016, countries of the North and South converged on the United Kingdom, host of the London Anti-Corruption Summit.

About Forty-three countries from all over the globe participated with the stated objective to "put fighting corruption at the heart of our international institutions".

Several Civil Society Organisations, including the Africa Network for Environment and Economic Justice (ANEEJ) attended the global event. A major outcome of the summit is the Global Declaration Against Corruption with 600 country-specific commitments. At the summit, Nigeria also signed on to the Open Government (OGP) partnership as the 70th country to join the global initiative.

As a follow-up to the London anti-corruption

summit, the United Kingdom of Great Britain and Northern Ireland and the United States of America co-hosted the first Global Forum on Asset Recovery (GFAR) in Washington DC on 4th – 6th December 2017. Again, ANEEJ led over ten CSOs from Nigeria to the Washington GFAR meeting where it presented both the Nigerian position to the meeting and the global CSOs statements.

Also, a joint statement by the high-level segment of the 18th International Anti-Corruption Conference, held 22 October, 2018 in Copenhagen acknowledged the fact that Corruption must be prevented, investigated, prosecuted, penalized and driven out. It identified multitude of factors that may be linked to corruption which must be addressed, including: tax evasion, money laundering, illicit financial flows from the proceeds of crime, and safe havens.

It equally noted that the flow of proceeds of corruption can disturb the international economic and financial order and undermine rule of law and social justice. While recognizing the difficulties of recovering assets from the proceeds of corruption that are outside the jurisdiction of the country affected by the acts of corruption, participating countries at the Copenhagen anti-corruption summit

committed to working together against corruption and supporting measures to deny safe havens to corrupt actors and their proceeds of corruption.

They also committed to strengthening law enforcement cooperation against corruption, consistent with the UN Convention Against Corruption (the UNCAC) just as they reiterated that the return of assets is an important principle of the UNCAC and we call on States to provide extensive cooperation and assistance in these processes in a cost effective manner.

On its part, the Open Government Partnership (OGP) in a statement at the Copenhagen 2018 International Conference on Corruption while reviewing its existence from inception noted that it will continue to work with its 79 national and 20 local government members, and with civil society, to advance reform efforts on anti-corruption.

Along with the government and civil society leaders on its Steering Committee, the OGP recognized the importance of global collective action to advance international standards and agreements on anti-corruption, such as UNCAC, OECD anti-bribery convention, among others. These efforts have been reaffirmed in the Paris Declaration signed by OGP members and civil society in 2016.

Civil Society's job in the fight against corruption is naturally to hold governments accountable to their commitments after these high-profile meetings. It is on this score that ANEEJ which has been monitoring the implementation of all commitments in Nigeria embarked on the assessment of the implementation of the London Anti-Corruption summit and GFAR commitments by Nigeria.

The report is in two parts: First, it assessed the London Anti-Corruption summit commitments. It reviewed the implementation of Exposing corruption, Punish the corrupt and support the victims who have suffered from corruption as well as Drive out the culture of corruption where it exists. It looked into the issues of Beneficial ownership transparency, preventing the facilitation of corruption, public procurement, Fiscal transparency, and Tax transparency.

The second part assessed the Global Forum on Asset Recovery commitments. It looked at the journey so far in the areas of: Partnership between transferring and receiving countries, Mutual interests of transferring and receiving countries motivating action, Early dialogue by both parties and continuing dialogue in the whole process.

It equally reviewed the implementation of Transparency and accountability in the return and disposition of assets commitment. The other areas looked into by this assessment on GFAR are: Beneficiaries of returned assets to be the victims harmed by corrupt conduct, Strengthening anti-corruption efforts to achieve development goals, Case-specific treatment of disposition of confiscated assets,

Agreements for disposition of assets to be context specific, in accordance with Article 57 (5) of UNCAC, Preclusion of benefit of offenders involved in the commission of corrupt offences as well as Inclusion of non-government stakeholders, such as CSOs, in the asset return and disposition process.

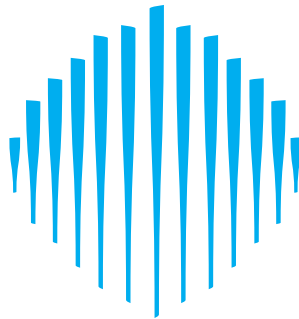
The beauty of the report is its validation by government officials involved in the implementation of the commitments as it promises interesting reading and reference materials for all stakeholders working on

anti-corruption issues locally and internationally.

We hope that this report will help to raise awareness on the London Anti-Corruption Summit commitments and the Global Forum on Asset Recovery(GFAR) Principles which Nigerian Government signed onto and also provide a feedback for the government to take action that will lead to effective implementation.

Rev David Ugolor

Executive Director, Africa Network for Environment and Economic Justice, ANEEJ.



ACKNOWLEDGMENT

The Africa Network for Environment and Economic Justice (ANEEJ), wishes to acknowledge the effort of all those who contributed to the success of this publication. We appreciate in particular, the effort put into this work by the consultant and ANEEJ staff who were involved in the drafting and review of this report

We put on record the efforts of ANEEJ Deputy Executive Director, Mr. Leo Atakpu, and Director of Policy and Research, Mathew Ayibakuro, PhD who both worked under the supervision of ANEEJ Executive Director, Rev David Ugolor.

We also acknowledge the government stakeholders who took time to participate in interviews and validation process pre-publication. The validation of this report by senior Government officials is highly appreciated. We like to acknowledge the Federal Ministry of Justice (FMoJ) led by Abubakar Malami (SAN), Head of Asset Recovery and Management Unit (ARMU), Hajia Ladidi Muhammed, Open Government Partnership (OGP) Secretariat under the then leadership of Mrs. Juliet Ibekaku. We strongly appreciate the Nigeria Extractive Industries Transparency Initiative (NEITI) led by its Executive Secretary, Mr. Waziri Adio for NEITI's validation of the report, helped to enhance the credibility of this report.

The support from the British Department for International Development (DFID) made this publication possible through its funding for the Monitoring of recovered Assets Through Transparency and Accountability (MANTRA) Project being implemented by ANEEJ under the broader Anticorruption in Nigeria (ACORN) Programme. We are thus indebted to DFID's entire ACORN team in DFID led by Ms. Sonia Warner for supporting the work of ANEEJ in this area.



INTRODUCTION

Like most developing countries, economic growth and development has been stifled in Nigeria by a number of factors including poverty, insecurity and insurgency, climate change, lack of basic infrastructure across different sectors, lack of economic opportunity and employment, capital flight, inflation, corruption, volatile exchange rate and high prices of goods and services. It is widely argued that, corruption is at the foundation of all the aforementioned development challenges.

To this end, the government of Nigeria, under the administration of President Muhammadu Buhari, made the fight against corruption a cardinal pillar, as a means to attain the swift growth and development of the Nigerian economy.

The government recognises that corruption extends to territories and jurisdictions beyond Nigeria, by way of Illicit Financial Flows (IFFs) through trade mis-invoicing, drug and human trafficking, transnational and organised crimes including illegal arms trade, anonymous/shell companies and corrupt practices of Politically Exposed Persons (PEPs).

The government therefore, resorted to utilising various approaches to curb the menace of corruption, including

collaborating with the international community to devise strategies for executing the anti-corruption campaign.

In furtherance of this, the government, at international fora, outlined Nigeria's efforts in her commitment to combat corruption and improve systems to reduce corruption in the country. Some of such international events are the Global Forum on Asset Recovery (GFAR) and the London Anti-Corruption Summit held in May 2016.

The London Anti-Corruption Summit

In May 2016, the United Kingdom hosted the London Anti-Corruption Summit. About Forty-three countries from all over the globe came to London to participate with the stated objective to "put fighting corruption at the heart of our international institutions". They signed the Global Declaration against Corruption and made 600 country-specific commitments.

Nigeria and Afghanistan, two countries labelled as 'fantastically corrupt' just before the Summit by the former British Prime Minister, David Cameron, exceeded the expectations of many. Both were in the top 5 countries that made new commitments. In addition, 80 percent of Afghanistan's commitments and 72 percent of Nigeria's

commitments are judged 'ambitious' or 'somewhat ambitious'.

At the event, the participating countries recognised that corruption was at the heart of so many of the world's problems. It erodes public trust in government, undermines the rule of law, and may give rise to political and economic grievances that may, in conjunction with other factors, fuel violent extremism.

Tackling corruption was considered to be vital for sustaining economic stability and growth, maintaining security of societies, protecting human rights, reducing poverty, protecting the environment for future generations and addressing serious and organised crime.

It was recognized that no country is immune from corruption and governments need to work together and with partners from business and civil society to tackle it successfully. The need to face the challenge openly and frankly to fulfil the shared

commitments under the 2030 Agenda for Sustainable Development to “substantially reduce corruption and bribery in all their forms” and “strengthen the recovery and return of stolen assets” was emphasised.

At the London Anti-Corruption Summit, Nigeria's president, Muhammadu Buhari made specific commitments which could be broadly categorised along the 3 objectives of the summit; which were:

1. Exposing corruption
2. Punish the corrupt and support the victims who have suffered from corruption
3. Drive out the culture of corruption where it exists

These broad objectives formed the basis of the over 600 commitments made by the 17 participating countries including the US and UK.



THE GLOBAL FORUM ON ASSET RECOVERY (GFAR)

The United Kingdom of Great Britain and Northern Ireland and the United States of America co-hosted the first Global Forum on Asset Recovery (GFAR) in Washington DC on 4th – 6th December 2017. The event was supported by the Stolen Asset Recovery Initiative (StAR), a joint initiative of the World Bank and UN Office of Drugs and Crime. The Forum focused on the recovery of assets stolen from Nigeria, Sri Lanka, Tunisia and Ukraine.

The core objective of GFAR was to convene practitioners and experts to provide an effective opportunity for States to cooperate on asset recovery cases, highlighting the importance of strong political commitment, multijurisdictional coordination, and practitioner interaction. The inaugural Forum focused on assistance to four priority countries - Nigeria, Sri Lanka, Tunisia and Ukraine.

Specifically, the United Kingdom, the United States, Nigeria, Sri Lanka, Tunisia and Ukraine called on States to implement asset recovery commitments including the G20 High-Level Principles on Asset Recovery and commitments made at the 2016 London Anti-Corruption Summit where 21 countries committed to strengthening or reinforcing legislation to ensure stolen assets can be recovered and 11 countries committed to developing guidelines for the

transparent and accountable return of stolen assets.

Interestingly, the cooperation in the first instance paid off for Nigeria as the Nigerian government signed an MOU with the government of Switzerland and the World Bank for the return of USD\$322.5 million in looted funds to Nigeria, during GFAR. Besides this immediate outcome, the reports from the event also point to the fact that, the parties had understanding on a number of issues for which early follow up will be necessary to consolidate on the gains of GFAR.

A CSOs statement issued at the end of GFAR and read by ANEEJ Executive Director, Rev. David Ugolor expressed the belief that GFAR has been an important

\$322.5m

The signing of the MOU between Switzerland and Nigeria to return \$322.5 million stolen by former dictator, Sani Abacha is a good example of this and was commended by the CSOs.

means of generating political will to push the asset recovery agenda forward. The signing of the MOU between Switzerland and Nigeria to return \$322.5 million stolen by former dictator, Sani Abacha is a good example of this and was commended by the CSOs.

The statement also expressed the belief that States must take the opportunity of GFAR to make tangible and measurable commitments on improving asset recovery, and report within a year on how they have met those commitments. They must be open about the obstacles they encountered during GFAR on specific cases.

And lessons must be learned for future forums. Unfortunately, the space within the agenda for meaningful dialogue between civil society and government at the event was too limited.

As a result, the opportunities for creating collective action and forging partnerships was lost.

Ultimately, however, the CSOs urged all those who came to GFAR to maintain the energy and commitment to getting stolen assets returned to the people who they belong to, to those who suffer most from their theft.

Earlier in October 2017, a pre-GFAR consultative meeting was organised by ANEEJ in Abuja, Nigeria, where stakeholders including government, CSOs and development partners/foreign missions in Nigeria met, discussed and agreed on a number of issues ahead of the “big” event.



BACKGROUND ON IMPLEMENTATION STRATEGY

At the end of the London Anti-Corruption Summit which gave rise to the announcement of Nigeria's intent to join the Open Government Partnership (OGP), it was resolved that the OGP will be used as a platform for the sustainable implementation of Nigeria's commitment to combat corruption, as it allows for multi-stakeholder participation including citizen-led groups.

To achieve this, the Nigerian government wrote to the OGP Support Unit in June 2016 to declare its intent to join the OGP and was formally admitted into the partnership in July of the same year. Working with Civil Society groups, organised private sector and labour groups, the government translated the commitments into a 2-year Action Plan.

The Nigerian country statement was transformed into the OGP National Action Plan with clear implementation timeline and identified stakeholders with responsibility and mandate; with additional commitments recommended by Civil Society groups and private sector.

Methodological Note

The preparation of this report adopted a qualitative research methodology. The research commenced with a comprehensive desk review. This was followed by interviews conducted with relevant

stakeholders and offices. The final aspect of the methodology involved subjecting the report to a validation process before its final publication.

Desk Review of Materials

A good number of relevant publications and other materials were consulted in undertaking the assessment. Some of the key materials used for this purpose include the reports on the outcome of the London Anti-Corruption Summit and the Global Forum on Asset Recovery, the OGP National Action Plan and OGP implementation assessment reports and working groups meeting report. Research papers and media reports on the various subjects covered in the report were also consulted.

Interviews

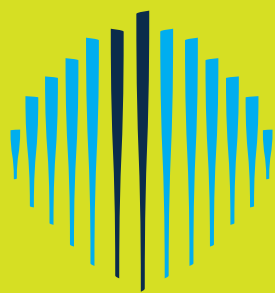
A number of stakeholders were interviewed during the assessment especially those who were primarily responsible for the implementation of the commitments.

Some of the stakeholders interviewed were staff of the Federal Ministry of Justice, Open Government Partnership Secretariat, the GFAR focal person in Nigeria, Nigerian Extractive Industries Transparency Initiative, Federal Inland Revenue Service, and anti-corruption agencies, among others.

The interviews provided pragmatic and in-depth analysis of the current state of implementation of the commitments and also provided opportunities for necessary contextualization and to clarify ambiguities arising from the initial research undertaken.

Validation

The completed draft of the report was sent to the various offices and stakeholders noted above for comments and validation. These comments were taken into consideration in the preparation of this final version of the report.



ASSESSMENT OF IMPLEMENTATION OF LONDON ANTI-CORRUPTION SUMMIT 2016 COMMITMENTS

Exposing Corruption

Beneficial Ownership Transparency

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
1.	Beneficial Ownership Transparency			
a.	Nigeria is committed to establishing a public central register of company beneficial ownership information. (The President of Nigeria presented a draft Money Laundering Prevention and Prohibition Bill to the National Assembly in February, 2016. The Bill has defined Beneficial Ownership in line with FATF standards.)	Ongoing	The Money Laundering Prevention and Prohibition Bill presented in February 2016 has not been passed by both chambers of the National Assembly as at the end of September 2018. The Senate on 15th May 2018 however repealed and re-enacted the Company and Allied Matters Act with provision for Beneficial Ownership Information Disclosure. The Bill is awaiting concurrence of the House of Representatives before the President signs it into law. In several provisions of the Bill, persons who hold nominal interest in a company on behalf of another are required to disclose the beneficial interests to the company in question. The Bill further prescribes punitive measures for failing to disclose such interests.	NASS should accelerate action on the Money Laundering Prevention and Prohibition Bill 2016. The House of Rep. should as well speed up work on the CAMA amendment so that the bill can be harmonised, passed and sent to the president for assent. We encourage CSOs to step up advocacy work on the issue. The Federal Government of Nigeria should ensure that concerned agencies and companies promptly address NEITI's audit recommendations / remedial issues.
b.	Nigeria has a database of registered companies, charities and trustees and provides access to lawyers and law enforcement agencies to beneficial ownership information for companies and other legal entities registered within our jurisdiction.	Not started	While lawyers and law enforcement agencies have access to the database of legal owners of companies and other legal entities registered with the Corporate Affairs Commission (CAC), they do not have access to the Beneficial Ownership Information as CAC does not collect that information yet.	Hopefully, from 2019 BO information will be collected by CAC because the annual renewal/return forms have been redesigned to capture this information

c.	We are committed to implementing bilateral arrangements that will ensure law enforcement in one partner country has full and effective access to the beneficial ownership information of companies incorporated in the other partner country.	Ongoing	While Nigerian law enforcement agencies have begun accessing beneficial ownership information of companies in jurisdictions that have BO database, Nigeria has not been able to share similar information as the database is still being established.	Nigerian government should ensure that such information is shared with other countries as soon as the BO information have been established
d.	We are taking steps to ensure transparency of the ownership and control of all companies involved in property purchase and public contracting. Nigeria is already collating this information through the Extractive Industry Initiative process and would extend it to other sectors.	Ongoing	<p>As part of EITI pilot BO implementing countries, NEITI is collecting BO information as part of annual audit of the extractive industry. NEITI highlighted that most of the companies declined to disclose BO information citing lack of legal requirement for such disclosure. NEITI is working with CAC to issue a regulatory directive on BO as a requirement for companies submitting annual returns to CAC. To achieve this, CAC updated the Annual Returns form following consultation with Open Ownership, the OGP Support Unit and stakeholders in Nigeria.</p> <p>While the various land registries maintain a register of legal owners of properties, there is no evidence that beneficial owners data is collected yet.</p>	NEITI should work effectively with CAC to make this possible. CSOs advocacy around the issues should be stepped up to complement the effort of NEITI and CAC
e.	Nigeria will establish a transparent central register of foreign companies bidding on public contracts and buying property.	Ongoing	The Bureau of Public Procurement collects information about all companies bidding for public contracts and is currently working on Nigeria Open Contracting Portal (NOCOPO) that will contain information about contracts and companies handling them.	CSOs and other stakeholders should monitor to process and take advantage of the information presented by the NOCOPO platform. BPP should move beyond the pilot stage and ensure that all MDAs comply with the open contracting data standard

f.	We welcome the proposal by developed countries to work together to improve the access of developing countries to beneficial ownership information for use in public contracting.	Not Definite Information	No specific information or action is applicable here beyond recognising the proposal and urging developed countries to keep to their commitment in this respect by improving the access of developing countries to information on beneficial ownership in their respective countries	Nigeria should provide leadership in advocating for developed countries to keep to this commitment
g.	We commit to joining the pilot initiative for automatic exchange of beneficial information.	No Definite Information	It is unclear if Nigeria joined this pilot exchange of information as it does not have a beneficial ownership register yet. There is ongoing cooperation between Nigeria Law Enforcement Agencies and their UK and US counterparts. This might constitute a significant component of such cooperation	The Nigerian government should accelerate action in putting in place its beneficial ownership register. In its cooperation with law enforcement agencies of other countries, sharing of beneficial ownership information should be prioritised.
<p>OB – Beneficial Ownership, BPP – Bureau for Public Procurement CAC – Corporate Affairs Commission</p>				

Preventing the Facilitation of Corruption

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
2.	Preventing the Facilitation of Corruption			
a.	We commit to joining the pilot initiative for automatic exchange of beneficial information. and the financial sector to detect, prevent and disrupt money laundering	Ongoing	The government has passed legislation to grant the Nigeria Financial Intelligence Unit (NFIU) autonomy, free from political interference. This is expected to improve their surveillance of the financial sector and track money laundering through the financial sector.	The NFIU should publish regular update on her activities

	linked to corruption. (Within the Financial Sector, such a partnership exists and brings together the Chief Compliance Officers of Banks, law enforcement and security agencies).			
b.	We will work together with interested countries to share information between respective public-private partnerships to ensure the most effective response to international money laundering.	No Definite information	There is no evidence of new approach beyond what law enforcement agencies like Economic and Financial Crimes Commission (EFCC) are doing through prior working relationships with their foreign counterparts on information sharing.	The Nigerian government should adopt a more robust approach in dealing with money laundering, especially through the work of the newly established independent financial intelligence unit.

Public Procurement and Fiscal Transparency

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
3.	Public Procurement and Fiscal Transparency			
a.	We will work towards full implementation of the principles of the Open Contracting Data Standard, focusing on major projects as an early priority.	Ongoing	The Bureau for Public Procurement has designed the Nigerian Open Contracting Portal (NOCOPO). This is currently being updated and pilot test of the portal is being carried out with 8 priority (pilot) MDAs.	CSOs should closely monitor the implementation of the principles of the Open Contracting Data Standard in Nigeria
b.	We will apply the Open Contracting Data Standard to the following major projects – (i) Development of Refineries in the oil Sector; (ii) Building of Health Centres and	Ongoing	The pilot test of NOCOPO is being carried out with 8 MDAs – Ministry of Health, Education, Works, Power & Housing, Petroleum Resources, NNPC, National Primary Health Care Development Agency, Universal Basic	CSOs should use the NOCOPO to track and follow up with government commitment under the listed project areas

	Improvement of Health Services; (iii) Building of Roads and other Infrastructures; (iv) Building of Schools and Improving Transparency in the Management of Education Funds and (v) Investment in the Power Sector.		Education Commission and NEITI	
c.	We will implement the principles of Open Government Partnership and Open Data Charter.	Ongoing	Nigeria signed on to the Open Government Partnership in June 2016. A 2-year National Action Plan is being implemented. The Federal Ministry of Communication has launched the government Open Data policy. Implementation has begun with agencies like NEITI already fully implementing Open Data.	CSOs should also monitor government commitment in this regard and possibly undertake independent evaluation of the implementation of such commitments
d.	We commit to undertake IMF Fiscal Transparency Evaluation.	Ongoing	<p>IMF is undertaking Fiscal transparency checks on Nigeria. Its team were in Nigeria in March 2018 for routine evaluation and proffered options to sustain Nigeria's economic recovery, warning that despite exiting recession recently, the country's economy remained vulnerable to shocks.</p> <p>Also, at the conclusion of its 2018 Article IV Consultation on Nigeria in October 2018, the Executive Board of the international finance agency in its assessment report on Nigeria noted that the reforms, which inspired the country's exit from recession, failed to impact non-oil non-agricultural growth, lower inflation close to single digits, contain banking sector vulnerabilities or reduced unemployment</p> <p>In 2017, the World Bank ranked Nigeria as one of the top 10 reforming economies in the world, having moved up 24 places in ranking from 169th position to 145th out of 189 countries in its Ease of Doing Business Report.</p>	Nigeria government should fulfil this commitment by undertaking IMF Fiscal Transparency Evaluation

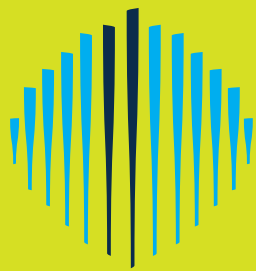
Extractive Industry (Oil Sector and Solid Mineral)

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
4.	Extractive Industry (Oil Sector and Solid Mineral)			
a.	<p>We commit to work together to enhance company disclosure on the payments to governments for the sale of oil, gas and minerals, complementing ongoing work within the EITI. (As a member of EITI, Nigeria is already implementing the principles of disclosure required under the EITI).</p>	Ongoing	<p>The NEITI annual oil and gas audit discloses payments by oil and gas companies to government. Since 2004, NEITI has carried out independent audits of the oil and gas and solid minerals sector covering 2015 & 2016 and is on the verge of publishing the audit reports for 2017. In addition, NEITI's Fiscal Allocation and Statutory Disbursement Audit (FASD) covering 2012-2016 is ongoing. FASD audit tracks the disbursement and utilization of extractive revenues from the Federation account to the three tiers of government and other statutory recipients that directly receive allocations from the Federation account.</p> <p>From 2004 till date, NEITI has carried out 8 cycles of industry audit of the oil and gas sector and 7 cycles of solid minerals industry audit. The ongoing FASD audit covering 2012-2016 is the second cycle of this important exercise.</p> <p>Overall, the disclosures in these reports have provided detailed information and data of operations in the oil, gas and mining sectors, and have deepened public debate on transparency, accountability issues required to shape ongoing reforms of government in the extractive sector.</p> <p>Also, NEITI participates actively in EITI peer learning and exchange programmes.</p>	<p>NEITI should sustain this practise and also ensure that discrepancies in such records are sorted out before publishing her reports</p>

<p>b. Nigeria is already reporting progress through the EITI working groups and will continue to work with interested countries to build a common understanding and strengthen the evidence for transparency in this area.</p>	<p>Ongoing</p>	<p>Nigeria is fully complying with the EITI process</p>	<p>Nigeria should take candid steps to expand and leverage on its work under the EITI framework to enhance cooperation with other countries to strengthen cross-border evidence for transparency.</p>
<p>c. We welcome voluntary disclosures through EITI reporting and by some major companies regarding payments to governments for the sale of oil, gas and minerals.</p>	<p>Ongoing</p>	<p>International Oil Companies are reporting payments to governments in their annual reports and NEITI is also collecting this data as part of annual oil and gas audit.</p>	<p>Most IOCs like Shell, Statoil, Eni and Total among others are already disclosing payment to Nigerian government in line with the payment to government regulation. We recommend that other IOCs that are yet to disclose their payment to government, should do so without delay.</p>
<p>d. We welcome the new 2016 EITI Standard, in particular the requirements on beneficial ownership and the sale of the state's share of production. Nigeria (NEITI) went through Validation in 2018 to ensure it meets the EITI requirements. The result of this exercise is being awaited. The Extractive Industries Transparency Initiative (EITI) Validation exercise is a quality assurance mechanism used by the global body to measure level of compliance to EITI standard in the oil, gas and mining sectors, and holds implementing countries, including Nigeria to the same standard.</p>	<p>Ongoing</p>	<p>Nigeria through NEITI is collecting BO and production sale data as part of pilot of the 2016 EITI standard. Nigeria is already collating this information through the Extractive Industries Transparency Initiative (EITI) process and plans to extend it to other sectors.</p> <p>As part of EITI pilot BO implementing countries, (Nigeria) NEITI since January 2016 published a Roadmap on BO disclosure and published a Policy Brief on “The need to know who owns what in Nigeria's extractive sector” in June 2016.</p>	

Tax Transparency

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
5.	Tax Transparency			
a.	We will sign up to the Common Reporting Standard initiative.	Completed	The Federal Inland Revenue Service (FIRS) signed the Common Reporting Standard Multilateral Competent Agreement on the 17th of August 2017. Other relevant agreements such as the Multilateral Competent Agreement on Country-by-Country Reporting was signed in 2017. These agreements are pursuant to the Addis Tax initiative.	Nigeria should take candid steps in duly implementing the standards under the Common Reporting Standard Initiative.
b.	We commit to join the Addis Tax Initiative.	Completed	Nigeria signed all the relevant agreements that fulfils the conditions set out in the Addis Tax Initiative.	A framework should be put in place to monitor the implementation of Nigeria's commitments under the Initiative.
c.	We commit to reviewing penalties and other actions against professional enablers of tax evasion, including for corporations that fail to prevent their employees from facilitating tax evasion.	Completed	FIRS is sensitising financial and non-financial institutions on the penalties for enabling tax evasion and the sanctions spelt out for individuals, corporations and professionals.	Nigerian government should immediately review the penalties other actions against professional enablers of tax evasion



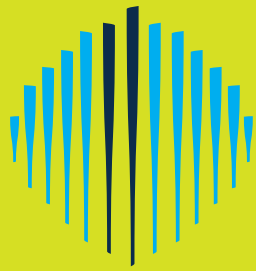
PUNISH THE CORRUPT AND SUPPORT
THE VICTIMS WHO HAVE SUFFERED
FROM CORRUPTION

Prevent Corrupt Bidders from Winning Contracts

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
6.	Prevent Corrupt Bidders from Winning Contracts			
a.	We commit to establishing accessible central databases of companies with final convictions.	Not Started	Even though various courts and law enforcement agencies maintain list of convicted companies, there is no accessible central database of companies with final conviction.	The federal ministry of justice should take the leadership in coordinating the relevant MDAs to implement this commitment
b.	We commit to exploring ways of sharing information on corrupt bidders across borders.	Not started	There is yet no specific framework to undertake this	The federal ministry of justice should take the leadership in coordinating the relevant MDAs to implement this commitment

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
7.	Asset Recovery, Asset Return and Transparent Management of Returned Assets			
a.	We commit to the strengthening of our asset recovery legislation, including through non-conviction based confiscation powers and the introduction of unexplained wealth orders.	Ongoing	<p>While the Federal Ministry of Justice has put in place the Asset Recovery and Management Unit to coordinate asset recovery efforts, the National Assembly is yet to pass the Proceeds of Crime Bill submitted by President Buhari. The chances of this important bill being passed is slim as it is now an electoral season and legislators are focused on the election.</p> <p>It is noteworthy that Nigeria has limited powers under the Corrupt Practices and Related Offences Act, 2000 and the Economic and Financial Crimes Commission (Establishment) Act, 2004 to recover stolen assets. The Proceeds of Crime Bill is however intended to improve the current legal framework, establish a comprehensive institutional regime and make asset recovery procedures easier. The Bill will also provide for a transparent management of returned assets and a non-conviction-based approach to asset recovery.</p>	We encourage the National Assembly to accelerate work on the proceed of crime bill. CSOs advocacy work should also be encouraged to put pressure on the government to ensure that the bill is passed before the expiration of the 8th National Assembly
b.	We commit to developing internationally endorsed guidelines for the transparent and accountable management of returned stolen assets.	Ongoing	The Presidential Advisory Committee Against Corruption has developed a guideline on asset recovery. An asset recovery and management unit has also been setup by the federal government under the office of Attorney General and Minister of Justice. The unit is making a lot of progress in asset recovery and management of recovered assets.	PACAC and asset recovery and management unit should harmonise their work pending when POCA will become operational

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
8.	Payments to Affected States and Victims of Corruption			
a.	We will develop common principles governing the payment of compensation to the countries affected, (including payments from foreign bribery cases) to ensure that such payments are made safely, fairly and in a transparent manner.	Ongoing	Nigeria government has directed that the returned \$322.5m Abacha Loot recovered from Switzerland be used to implement the Conditional Cash Transfer of N5,000 monthly to the poorest Nigerians. Disbursement commenced in October 2018 in 19 states in Nigeria. Enrolment of new beneficiaries by the National Social Safety-Nets coordinating Office (NASSCO) is ongoing with the objective of reaching beneficiaries in all 36 states in Nigeria	Subsequent recoveries and utilisation should be done in line with the necessary guidelines and preferably used for legacy projects



DRIVE OUT THE CULTURE OF
CORRUPTION WHERE IT EXISTS

9. Fostering Integrity in International Sports

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
a.	We will join the International Sport Integrity Partnership.	Not Started	The Ministry of Sports has not implemented this commitment.	The Federal Ministry of Justice and OGP secretariat should work closely with the Ministry of Sport to accomplish this commitment

10. Promoting Integrity in Our Institutions

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
a.	We will launch a practitioner partnership on institutional integrity, coordinated by the OECD. This will cover the following sectors: [extractives, health, education, public service and anti-corruption institutions]	Not Started	There is no evidence of implementation of this commitment.	The relevant MDAs should ensure that this commitment is implemented
b.	We will promote institutional integrity and partnership between the UK Auditor-General's Office and Nigeria's Office of the Auditor-General as well as between Nigeria's Anti-Corruption Institutions and the UK National Crime Agency to build capacity to fight corruption while also improving professional standards.	Ongoing	The UK, through DFID, is providing technical support to the Office of the Auditor General of the Federation on this. There is also ongoing cooperation between the UK National Crime Agency and the Economic and Financial Crimes Commission and other relevant institutions in Nigeria	

11. Support Innovations in the Use of Technology to Fight Corruption

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
a.	We commit to participating in an Innovation Hub that will facilitate the uptake of new approaches and technologies to tackle corruption and to improve access to information	Ongoing	There is some evidence of implementation of this commitment in the implementation of the Freedom of Information Act. There is improved access to information in Nigeria under the efforts of FMOJ having oversight responsibility on the effective implementation of the Freedom of Information (Fol) Act 2011 in Nigeria. Today, there is increased awareness and usage of the Fol Act by the general public following the regime of the fight against corruption under the present administration. Also, Commitments 10 and 11 of the Nigeria OGP NAP are being implemented vigorously with lot of progress recorded in the area of Access to Information.	DFID through ACORN project is working with a number of CSOs in Nigeria to explore behavioural approach to tackling corruption. ACORN project partners should work closely with government to work out and implement the best approach in Nigeria

12. Support to International System

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
a.	We will work with other countries, civil society, and international organisations to support accelerated implementation of the voluntary provisions of the UN Convention Against Corruption (UNCAC) and we commit to the implementation of the outstanding obligations under the UNCAC	Ongoing	Nigeria is complying with its UNCAC obligations and undergoing the review mechanism under the implementation framework for the Convention.	Specific attention should be given to the implementation of recommendations arising from UNCAC review processes.

b.	We support the establishment of an International Anti-Corruption Coordination Centre to be managed by the National Crime Agency, UK. We will work with Agency in promoting this centre in the African region.	Ongoing	The International Anti-Corruption Coordination Centre (IACCC) was established in July 2017. However, no Nigerian law enforcement agency was listed as a participating agency. The centre welcomes cases from non-participating countries but there is no confirmation if Nigeria has made any referral to the centre. There is also no targeted action taken by the Nigerian government to promote the work of the Centre in Africa.	Nigerian government should link up with the International Anti-Corruption Coordination Centre to promote the centre in the African region
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Assessment of Nigeria's Implementation of Global Forum on Asset Recovery Principles

Nigeria's commitments arising from the Global Forum on Asset Recovery held in Washington D.C in 2017 revolves around the following 10 principles

- 1 Partnership between transferring and receiving countries
- 2 Mutual interests of transferring and receiving countries motivating action
- 3 Early dialogue by both parties and continuing dialogue in the whole process
- 4 Transparency and accountability in the return and disposition of assets
- 5 Beneficiaries of returned assets to be the victims harmed by corrupt conduct
- 6 Strengthening anti-corruption efforts to achieve development goals
- 7 Case-specific treatment of disposition of confiscated assets
- 8 Agreements for disposition of assets to be context specific, in accordance with Article 57 (5) of UNCAC
- 9 Preclusion of benefit of offenders involved in the commission of corrupt offences
- 10 Inclusion of non-government stakeholders, such as CSOs, in the asset return and disposition process

S/No	Commitment	Level of implementation	Comment/Update	Recommendations
1.	Partnership between transferring and receiving countries	Good	<p>There is an encouraging relationship for partnership between Nigeria as a receiving country and transferring countries. Nigeria continues to renew and refresh her relationship with countries where looted funds are identified and there have been a few successful repatriations of funds. Nigeria has recently signed MoUs with the Switzerland and the UK for the return of looted assets. Plans are at an advanced stage for the signing of a similar MoU with the Government of the United States of America for the return of \$900,000 stolen by a former Governor of Bayelsa State, Diepriye Alamiyeseigha.</p> <p>Furthermore, there is an encouraging framework for information sharing and demonstration of mutual trust between Nigeria and transferring countries. The inclusion of conditions for the utilisation of returned assets by transferring countries is a drawback in this regard and the discontinuation of this in the future will serve as a vital indicator of progress on this principle.</p>	<p>Agreements reached between Nigeria and transferring countries need to include less conditionalities on the use of returned assets as a demonstration of mutual trust between both parties.</p> <p>Similarly, Nigeria needs to be more diplomatic in its negotiations and overall dealings with transferring countries. The transparent and accountable use of returned assets has to be considered pivotal, at all times, to strengthening partnership with transferring countries.</p>
2.	Mutual interests of transferring and receiving countries motivating action	Fair	<p>There is yet no globally recognised and accepted institutional framework for dealing with asset recovery issues. Whilst there is a legal framework for this under Chapter 5 of the United Nations Convention Against Corruption (UNCAC), the lack of a clear-cut institutional and guidelines for countries to adopt in dealing with asset recovery issues remains a limitation.</p>	<p>A multilateral institutional framework that establishes a forum for transferring and receiving countries to negotiate and agree terms on asset recovery that is mutually beneficial to both parties needs to be established.</p>

			<p>Whilst the support provided by institutions such as the Stolen Asset Recovery Initiative (StAR) and the International Centre for Asset Recovery (ICAR) is important, the multilateral framework is needed to serve as a coordinating point for implementation of asset recovery efforts in a manner that represents the mutual interests of transferring and receiving countries</p>	<p>This enhance the current support roles of organisations like StAR and ICAR.</p> <p>Nigeria should show commitment and show leadership in advocating for the establishment of such framework globally.</p>
3.	Early dialogue by both parties and continuing dialogue in the whole process	Fair	<p>The poor results of negotiations for the repatriation of stolen funds to Nigeria from transferring countries evinces the reactive rather than proactive approach to dialogue for asset recovery by both parties. Negotiations and agreements for the return of assets often commence in the wake of particular corruption scandals.</p> <p>The signing of an MoU between Nigeria and the UK on asset recovery taking place only after the Malabu oil deal scandal, despite the general knowledge of the existence of looted funds from Nigeria in that country demonstrates this.</p> <p>Early and ongoing dialogue with countries where stolen assets from Nigeria are kept is imperative.</p>	<p>The Federal Ministry of Justice and the Asset Recovery and Management Unit (ARMU) should put in place a framework for early and continuing dialogue with confirmed and potential receiving countries to enhance quicker and more efficient asset recovery agreements and processes.</p>

4.	Transparency and accountability in the return and disposition of assets	Average	<p>Nigeria has been reasonable progress in ensuring transparency and accountability through the provision of information on the transfer and administration of returned assets.</p> <p>The provision of information on the recent signing of MoU and subsequent repatriation of \$322.5 million from Switzerland and \$73 million from the UK demonstrates comparative progress in this regard. However, whilst the utilisation of the former is being accounted for in a transparent manner, the situation is different in the case of the latter.</p> <p>Furthermore, the lack of precise information on cost of repatriation in terms of fees paid to lawyers and other professionals and the basis for such payments was discouraging.</p>	<p>The Passage of the Proceeds of the Crime Bill and the established of practice guidelines is required to institutionalise processes that guarantee transparency and accountability in the return and disposition of assets.</p> <p>Such institutionalisation is expedient as the current state of things where transparency and accountability are ensured through conditionalities in agreements for the return of the assets and advocacy by civil society is not sustainable.</p>
5.	Beneficiaries of returned assets to be the victims harmed by corrupt conduct	Good	<p>There is commendable progress in the operationalisation of this principle as demonstrated by the disposition of the Nigerian government to spend the recently repatriated \$322.5 million dollars on cash transfers to the poorest of its citizens.</p> <p>However, the fact that this decision was influenced by conditionalities attached to the return of the funds and that there is no similar specific framework with other returned assets shows that more action is required in the implementation of this principle.</p>	<p>It is expedient that the Proceeds of Crime Bill is passed to provide an established framework that ensures that all recovered assets are used for the benefit of the ultimate victims of corruption.</p> <p>In the meantime, the Nigerian Government needs to allocate other recovered assets to victim-sensitive projects and duly communicate and execute such projects in a transparent and accountable manner.</p>

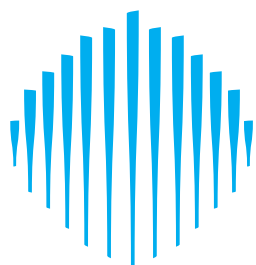
6.	Strengthening anti-corruption efforts to achieve development goals	Fair	<p>There is currently no clear framework for utilising confiscated assets to fulfil anti-corruption principles and obligations under UNCAC or to repair the damage done by corruption as required under this principle.</p> <p>There is however an obvious disposition by the government to use recovered assets to finance the achievement of development goals in accordance with Goal 16 of the Sustainable Development Goals.</p>	<p>In the utilisation of recovered assets, the Nigerian Government needs to strive to create an identifiable link between the use of the resources and the internationally recognised objectives like repairing the damage done by corruption and achieving clear-cut developmental goals.</p>
7.	Case-specific treatment of disposition of confiscated assets	Average	<p>Recent agreements for the repatriation of funds between Nigeria and transferring countries show a mix in the adoption of this principle.</p> <p>Whilst the MoU with Switzerland in 2017 was case-specific, similar agreement with the UK and the UAE in 2016 were of a broad nature with the needed specificity.</p>	<p>The Nigerian government should look to enter into specific agreements with countries with which there is only general MoUs for the return of looted assets when particular assets are identified and set to be returned.</p>
8.	Disposition of confiscated proceeds of crime in Nigeria is done in a case-specific manner	Average	<p>The results of the repatriation of funds based on case-specific arrangements – as was the case with the recent funds returned from Switzerland – demonstrates the importance of such agreements.</p> <p>Specifically, such agreements with provisions on transparency and accountability provides guarantees that would be otherwise unavailable. The fact that the Switzerland agreement led to choosing a project that aligned with an already existing developing plan of the Federal Government – the social investment programme – provides a good illustration of good practice in this regard.</p>	<p>Going forward, the Nigerian Government should look to go into agreements for the return of assets in a case-specific manner in accordance with global best practice and in accordance with its obligations under Article 57 of United Nations Convention Against Corruption.</p>

9.	Preclusion of benefit of offenders involved in the commission of corrupt offences	Average	<p>There is no clear case in Nigeria where returned assets have benefited identified or identifiable offenders involved in the commission of corrupt offences.</p> <p>However, there have been cases where returned assets have been utilised in a non-transparent manner which put them in a position to be re-looted. This risk remains real for recoveries that are being utilised without the needed transparency and accountability.</p>	<p>The Nigerian government needs to institutionalise practices and processes that guarantee transparency and accountability in the utilisation of recovered assets. This will serve as a safeguard against risk of recovered assets being re-looted by officials that are complicit in the commission of corrupt offences.</p> <p>The passage of the Proceeds of Crime Bill, the Whistleblower Bill and the establishment of related legal and institutional frameworks are pivotal in this regard.</p>
10.	Inclusion of non-government stakeholders, such as CSOs, in the asset return and disposition process	Good	<p>Nigeria has made reasonable progress in the adoption of this principle in recent times. In specific terms, civil society organisations were included in the process of signing the MoU between Nigeria and Switzerland for the return of the \$322.5 million to the country.</p> <p>Furthermore, the role of civil society in the monitoring the utilisation of the funds to ensure transparency and accountability was formally recognised in the terms of the MoU. In pursuance of this, a coalition of civil society organisations led by the Africa Network for Environment and Economic Justice (ANEEJ) has been engaging with the relevant ministries and agencies of the Nigerian government to monitor the use of the funds.</p>	<p>The fact that the reasonable involvement of civil society was as a result of the terms of an MoU questions the sustainability of such inclusion of non-government stakeholders in asset recovery processes.</p> <p>Hence, going forward, the Nigerian Government, through the passage of the Proceeds of Crime Bill and the operational guidelines of the Asset Recovery and Management Unit of the Federal Ministry of</p>

				Justice, needs to institutionalise the processes for the involvement of non-state stakeholders in asset recovery processes. This will demonstrate the commitment of the Government to entrenching transparency and accountability in the return and utilisation of recovered assets.
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Key for Level of Implementation:

Poor - Fair - Average - Good - Excellent.



CONCLUSION

The overriding conclusion to be reached from the assessment of Nigeria's implementation of its commitments made at the London 2016 Anti-Corruption Summit and the principles agreed upon at the Global Forum on Asset Recovery in 2017 is that progress is largely average.

Whilst there was no clear-cut timeframe for the implementation of all the commitments, the fact that implementation at this level can be explained by the relatively short period of time since the commitments were made.

This notwithstanding, commendable progress has been made in certain areas. Establishing transparency and accountability in the recovery and utilisation of looted assets is one of such areas where the inclusion of non-state stakeholders is already yielding preliminary results. The slow pace of legislative action through the passage of the Proceeds of Crime Bill which will institutionalise some of the emerging good practices in this area is a major concern.

Other areas where progress has been recorded include the Nigerian government's proactiveness in signing onto global good governance frameworks such as the Open Government Partnership, the Common Reporting Standard Initiative and the Addis Tax Initiative. Hence, the assessment of the

level of implementation of most commitments as "ongoing".

In the light of this, there are three key factors that are expedient for the country to make reasonable progress in keeping to these commitments going forward.

Firstly, civil society has to intensify its advocacy efforts in ensuring that these commitments – especially those expressed under the above global frameworks which Nigeria has signed on to – are properly implemented. In doing this, the advocacy strategy has to move beyond a simply critical approach to one of meaningful engagement with the potential to enhance the capacity of relevant state institutions to fully implement the commitments.

Secondly, all relevant stakeholders, including state actors, civil society organisations, organised private sector, trade and labour unions, faith-based groups and the media, should leverage on the framework provided by these commitments to improve the overall governance regime in the country.

Whilst the traditional perspective recognises the primary role of government to implement commitments like those assessed in this report, emerging governance frameworks such as the Open

Government Partnership provides meaningful frameworks for all relevant stakeholders to make meaningful contributions to improving governance. It is important that these opportunities are leveraged upon by key stakeholder groups working together to accelerate Nigeria's journey towards entrenching good governance.

Finally, the wide-ranging nature of these commitments and other governance reforms taking place simultaneously in the country makes it expedient to have a strong coordinating function. Currently, the Open Government Partnership and the National Anti-Corruption Strategy are two frameworks through which such a coordinating function can be undertaken. At a policy level, the Presidential Committee Against Corruption can also serve this purpose. The experience of governance reforms in Nigeria illustrates the challenges and cost of poor coordination.

The Federal Government of Nigeria therefore has to take a lead in ensuring there is a functional coordinating framework that ensures that its reforms as required under its international and national obligations are streamlined and duly monitored.

Such a framework must also be designed in a manner that demonstrates the links between the fulfilment of these commitments and achievement of set objectives of development; the ultimate goal of good governance.

ANNEX 1

UPDATE/FEEDBACK FROM STAKEHOLDERS
FORUM AT THE POST-GFAR EVENT
HOSTED BY SWISS EMBASSY IN ABUJA
ON JUNE 28, 2018

**a) Eric Mayoraz, Switzerland
Ambassador to Nigeria**

Ambassador Mayoraz, mentioned the unfortunate lack of transparency in the government's management of Abacha I, which led the Swiss government to insist on the involvement of the World Bank in the management of the recent \$322.5m (Abacha II). Nigerian government will work with the World Bank and Civil Society in monitoring the spending to ensure that the money was transparently and accountably managed to touch the lives of the Nigerian people who had been deprived.

All funds hidden in Swiss banks by Abacha family have been fully repatriated and so there are no longer any known stolen assets of the Abacha family in Switzerland. About \$752m was returned in 2005 (Abacha I), and the \$322.5m that was repatriated in December 2017 was not in Swiss Banks but in other jurisdictions, mainly Luxemburg. On possible new cases, the Ambassador said that the new laws in his country do not encourage the hiding of Stolen Assets.

“The law in Switzerland does not allow bank secrecy anymore, and all banks and financial institutions have a due diligence duty to ask everyone coming with money where it is coming from. That does not mean that there are no illegal or stolen assets now in Switzerland, but then there is another instrument I signed myself with the Nigerian ministry of justice and Switzerland two years ago on mutual legal assistance and this is for new cases.”

The Swiss government is collaborating with the EFCC and other Nigerian agencies. Mayoraz concluded his remarks by stating that Abacha II was a product of three years of intense negotiations and expressed hope that the funds, which were currently in a

special account in the Central Bank waiting to be utilized, would be deployed transparently and accountably.

**b) Mrs. Juliet Ibekaku-Nwagwu,
Special Assistant to the President on Justice
Sector Reform and National Coordinator,
Open Government Partnership**

Mrs. Ibekaku-Nwagwu emphasised the commitment of President Muhammadu Buhari's administration to build confidence with the Swiss government and other partners and that the recovered assets would be deployed judiciously and transparently in line with the agreements reached.

In her words: “Let me just say this, we just want our money back. By this administration's commitment to the Open Government Partnership, we want the people to be involved in the monitoring of the stolen assets that were returned. We also came up with the open budget process so that Nigerians would know every budget detail and they can be checked online too.

“We also want our procurement system to be more transparent than it was in the past so that any concerned persons can know who is getting what. In addition to this, is the introduction of the Single Treasury Account and the Ease of Doing Business policy. It is part of the openness of this administration to constructive engagements that we have a line item called Revenue from Asset Recovery in the budgets of 2017 and 2018”, Mrs. Juliet Ibekaku-Nwagwu concluded.

**c) David Ugolor, Executive Director of
African Network for Environment and
Economic Justice (ANEEJ)**

There was a need to monitor the deployment of all recovered assets to

ensure that they are properly used for what they were meant for in Nigeria. Civil society organisations would not relent in their efforts to compel the government to operate within the bounds of the agreements signed with the countries that repatriated the funds.

Nigeria is the first country to organise a post-GFAR activity in partnership with external actors such as the Swiss government. During the Obasanjo administration such an external drive was what it took for reforms to be entrenched, citing the EITI example which was a condition for debt relief by the Paris Club of creditors.

He however observed that the narrative has so far concentrated on the supply side. More efforts should be invested in building demand among citizens in line with the Accra Agenda for Action and the Busan Declaration.

d) Derby Palmer - DFID

Stolen assets are not easy to recover and the legal processes are cumbersome, but it is a necessity that must be done.

While giving a background on DFID's flagship project on Anti-Corruption in Nigeria (ACORN), Palmer informed participants that DFID has been supporting EFCC's forensic capabilities, promoting ongoing dialogue between both countries and supporting CSOs work to create accountability on how recovered funds are used.

She announced that \$73.3million has also been returned to Nigeria by the UK in February 2018. She expressed hope that the Proceeds of Crime (POC) Bill will have to move forward before the general elections

scheduled for February 2019.

Palmer welcomed the decision to channel the recovered Abacha II funds into the social investment programme. She observed that Nigeria needed more sources of revenue for development, adding that at 6% the tax to GDP ratio here is among the lowest in the world. She described Nigeria's approach to deploying the recovered loot as a cutting-edge approach with significant potential for lesson learning.

She also talked about reforms in the UK's legal framework for asset recovery including Unexplained Wealth Orders. This includes the requirement by the UK that Politically Exposed Persons (PEPs) who parade wealth that are inconsistent with their apparent means now have the burden of proving that the wealth was legitimately earned and not the other way round as it used to be. Reversing the burden of proof is a significant shift in the way the law works in asset recovery matters.

6%

Nigeria needed more sources of revenue for development, adding that at 6% the tax to GDP ratio here is among the lowest in the world.

ANNEX 2

COUNTRY STATEMENT FROM
NIGERIA AT LONDON
ANTI-CORRUPTION SUMMIT

1. EXPOSING CORRUPTION

(A) Beneficial Ownership Transparency

- I. Nigeria is committed to establishing a public central register of company beneficial ownership information. (The President of Nigeria has presented a draft Money Laundering Prevention and Prohibition Bill to the National Assembly in February, 2016. This Bill has defined Beneficial Ownership in line with FATF standards.)
- II. Nigeria has a database of registered companies, charities and trustees and provides access to lawyers and law enforcement agencies to beneficial ownership information for companies and other legal entities registered within our jurisdiction.
- III. We are committed to implementing bilateral arrangements that will ensure law enforcement in one partner country has full and effective access to the beneficial ownership information of companies incorporated in the other partner country.
- IV. We are taking steps to ensure transparency of the ownership and control of all companies involved in property purchase and public contracting. Nigeria is already collating this information through the Extractive Industry Initiative process and would extend it to other sectors.
- V. Nigeria will establish a transparent central register of foreign companies bidding on public contracts and buying property.
- VI. We welcome the proposal by developed countries to work together to improve the access of developing countries to beneficial ownership

information for use in public contracting.

- VII. We welcome the proposal from countries to restrict the ability of those involved in grand corruption to travel, invest and do business overseas. (We suggest that this could be activated where there is a conviction, or public information of the involvement in grand corruption and where it is in the public interest to impose those restrictions).
- VIII. We commit to joining the pilot initiative for automatic exchange of beneficial information.

(B) Preventing the Facilitation of Corruption

- I. Nigeria commits to deploying public-private information sharing partnerships to bring together governments, law enforcement, regulators and the financial sector to detect, prevent and disrupt money laundering linked to corruption. (Within the Financial Sector, such a partnership exists and brings together the Chief Compliance Officers of Banks, law enforcement and security agencies).
- II. We will work together with interested countries to share information between respective public-private partnerships to ensure the most effective response to international money laundering.

(C) Public Procurement and Fiscal Transparency

- I. We will work towards full implementation of the principles of the Open Contracting Data Standard, focusing on major projects as an early

priority.

- II. We will apply the Open Contracting Data Standard to the following major projects – (i) Development of Refineries in the oil Sector; (ii) Building of Health Centers and Improvement of Health Services; (iii) Building of Roads and other Infrastructures; (iv) Building of Schools and Improving Transparency in the Management of Education Funds and (v) Investment in the Power Sector.
- III. We will implement the principles of Open Government Partnership and Open Data Charter.
- IV. We commit to undertake IMF Fiscal Transparency Evaluation.

(D) Extractive Industry (Oil Sector and Solid Mineral)

- I. We commit to work together to enhance company disclosure on the payments to governments for the sale of oil, gas and minerals, complementing ongoing work within the EITI. (As a member of the Extractive Industry Transparency Initiative (EITI), Nigeria is already implementing the principles of disclosure required under the EITI).
- II. Nigeria is already reporting progress through the EITI working groups and will continue to work with interested countries to build a common understanding and strengthen the evidence for transparency in this area.
- III. We welcome voluntary disclosures through EITI reporting and by some major companies regarding payments to governments for the sale of oil, gas and minerals.

- IV. We welcome the new 2016 EITI Standard, in particular the requirements on beneficial ownership and the sale of the state's share of production.

(E) Tax Transparency

- I. We will sign up to the Common Reporting Standard initiative.
- II. We commit to join the Addis Tax Initiative.
- III. We commit to reviewing penalties and other actions against professional enablers of tax evasion, including for corporations that fail to prevent their employees from facilitating tax evasion.
- IV. We support the development of a global commitment for public country by country reporting on tax information for large multinational enterprises

2. Punish the corruption and support the victims who have suffered from corruption

(F) Prevent Corrupt Bidders from Winning Contracts

- I. We commit to establishing accessible central databases of companies with final convictions.
- II. We commit to exploring ways of sharing information on corrupt bidders across borders.

(G) Asset Recovery, Asset Return and Transparent Management of Returned Assets

- I. We commit to the strengthening of our asset recovery legislation, including through non--conviction based confiscation powers and the introduction of unexplained wealth orders.

(Nigeria has limited powers under the Independent Corrupt Practices Commission Act, 2000 and the Economic and Financial Crimes Commission Act, 2004 to recover stolen assets. In order to improve on the current legal procedures and ease asset recovery procedures, Nigeria has drafted the Proceeds of Crime Bill.

The Proceeds of Crime Bill will provide for transparent management of returned assets and non--conviction based approach to asset recovery.

- II. We commit to developing internationally endorsed guidelines for the transparent and accountable management of returned stolen assets.

(H) Payments to Affected States and Victims of Corruption

- I. We will develop common principles governing the payment of compensation to the countries affected, (including payments from foreign bribery cases) to ensure that such payments are made safely, fairly and in a transparent manner.

3. DRIVE OUT THE CULTURE OF CORRUPTION WHEREVER IT EXISTS

(I) Fostering Integrity in International Sports

- I. We will join the International Sport Integrity Partnership.

(J) Promoting Integrity in Our Institutions

- I. We will launch a practitioner partnership on institutional integrity, coordinated by the OECD. This will cover the following sectors: [extractives, health, education, public service and anti--corruption institutions]

- (K) We will promote institutional integrity and partnership between the UK Auditor General's Office and the Nigeria's Office of the Auditor General as well as between Nigeria's Anti--Corruption Institutions and the UK National Crime Agency to build capacity to fight corruption while also improving professional standards.

(L) Support Innovations in the Use Technology to Fight Corruption

- I. We commit to participating in an Innovation Hub that will facilitate the uptake of new approaches and technologies to tackle corruption and to improve access to information.

(M) Support to International System

- I. We will work with other countries, civil society, and international organisations to support accelerated implementation of the voluntary provisions of the UN Convention Against Corruption (UNCAC) and we commit to the implementation of the outstanding obligations under the UNCAC

We support the establishment of an International Anti-Corruption Coordination Center to be managed by National Crimes Agency, UK. We will work with NCA in promoting this centre in the African region.

President Muhammadu Buhari

President of the Federal Republic of Nigeria
12th May, 2016

ANNEX 3

Gfar Principles for Disposition and Transfer of Confiscated Stolen Assets in Corruption Cases

The co-hosts and four focus countries at GFAR reaffirmed their commitment to the return and disposition of confiscated stolen assets as articulated in UNCAC. They highlighted the importance of technical assistance towards successful asset recovery and disposition.

They reflected further on their experiences, and emerging lessons, from previous instances of returns. Cognisant of the work already going on under the auspices of UNODC, and the call in the Addis Ababa Action Agenda¹ for the international community to develop good practices on asset return, GFAR participants offered the following considerations for principles that would promote successful asset return.

These Principles address approaches and mechanisms for enhancing coordination and cooperation, and for strengthening transparency and accountability of the processes involved. Nothing in these Principles is intended to infringe national sovereignty or domestic principles of law.

Principle 1: Partnership.

It is recognised that successful return of stolen assets is fundamentally based on there being a strong partnership between transferring and receiving countries. Such partnership promotes trust and confidence.

Principle 2: Mutual interests.

It is recognised that both transferring and receiving countries have shared interests in a successful outcome. Hence, countries should work together to establish arrangements for transfer that are mutually agreed.

Principle 3: Early dialogue.

It is strongly desirable to commence dialogue between transferring and receiving countries at the earliest opportunity in the process, and for there to

be continuing dialogue throughout the process.

Principle 4: Transparency and accountability.

Transferring and receiving countries will guarantee transparency and accountability in the return and disposition of recovered assets. Information on the transfer and administration of returned assets should be made public and be available to the people in both the transferring and receiving country. The use of unspecified or contingent fee arrangements should be discouraged.

Principle 5: Beneficiaries.

Where possible, and without prejudice to identified victims, stolen assets recovered from corrupt officials should benefit the people of the nations harmed by the underlying corrupt conduct.

Principle 6: Strengthening anti-corruption and development.

Where possible, in the end use of confiscated proceeds, consideration should also be given to encouraging actions which fulfill UNCAC principles of combating corruption, repairing the damage done by corruption, and achieving development goals.

Principle 7: Case-Specific Treatment.

Disposition of confiscated proceeds of crime should be considered in a case-specific manner.

Principle 8: Consider using an Agreement under UNCAC Article 57(5).

Case-specific agreements or arrangements should, where agreed by both the transferring and receiving state, be concluded to help ensure the transparent and effective use, administration and monitoring of returned proceeds. The

transferring mechanism(s) should, where possible, use existing political and institutional frameworks and be in line with the country development strategy in order to ensure coherence, avoid duplication and optimize efficiency.

Principle 9: Preclusion of Benefit to Offenders.

All steps should be taken to ensure that the disposition of confiscated proceeds of crime do not benefit persons involved in the commission of the offence(s).

Principle 10: Inclusion of non-government stakeholders.

To the extent appropriate and permitted by law, individuals and groups outside the public sector, such as civil society, non-governmental organizations and community-based organizations, should be encouraged to participate in the asset return process, including by helping to identify how harm can be remedied, contributing to decisions on return and disposition, and fostering transparency and accountability in the transfer, disposition and administration of recovered assets.



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