

BENEFICIAL OWNERSHIP TRANSPARENCY: CASE STUDY

NIGERIA COMMITMENT & IMPLEMENTATION OF BO BILL

This case study is part of a retrospective evaluation sponsored by [TAI](#) to assess the roles and contributions of TAI funder members & grantee partners in achieving select policy outcomes advancing global beneficial ownership transparency (BOT) from 2016-2021. See full report for insights across outcomes.

WHAT WAS THE OUTCOME?



In May 2016, Nigerian President Buhari announced a commitment to create a beneficial ownership register and included it in Nigeria's Open Government Partnership Action Plan in December 2016. This outcome marked an important signal of BO's relevance to non-OECD countries. Four years following the initial commitment, President Buhari signed the Amended Companies and Allies Matters (CAMA) Bill, including the requirement to disclose persons with significant control of companies in a register of beneficial owners to enhance corporate accountability and transparency.

WHO CONTRIBUTED TO THE OUTCOME?

TAI FUNDERS

MacArthur, OSF, FDCO (DFID)

GRANTEE PARTNERS

- NEITI (Nigeria Extractive Industries Transparency Initiative)
- Civil Society Legislative Advocacy Centre (CISLAC/TI Nigeria)
- Open Government Partnership (OGP)

Additionally, a well-known civil society activist – who was accessible to grantee partners – was appointed to the head of CAC and acted as a strong champion within Nigeria's government.

OGP played a critical role in Nigeria as a global, purposeful, multi-stakeholder partnership that connects governments to local civil society and the private sector. OGP enabled a broad based civil society coalition to form and amplified the agendas that Nigerian civil society partners had established for themselves.

Grantee partners provided sustained education of parliamentarians and policy makers between 2016-2020. They prepared arguments and provided input into draft legislation. They built close relationships with the media (especially investigative journalists) to be the first to know about breaking news related to anti-corruption and BO, to write op-eds, influence narratives, and participate in interviews, but also to educate the media on how to use the Registry once in place. Grantee partners such as CISLAC (Transparency International's chapter in Nigeria) aimed to broadening the narrow 'niche' appeal of BOT through public education campaigns.

MacArthur and OSF, as well as OSIWA (OSF's West-African regional foundation member), had important technical subject matter expertise, as well as access to key political actors in Nigeria's government. They brought this to bear through direct diplomatic engagement, messaging, brokering of discussions, and direct support to key actors such as the Head of CAC.

HOW WAS THE OUTCOME ACHIEVED?

Starting in 2015-2016, the Nigerian government's interest to be seen as a regional leader in beneficial ownership transparency shaped the activities that led to the eventual CAMA Amendment. Its motivation to step up as a role model meant that funders who were willing to engage in direct advocacy and lobbying with politicians saw opportunities to leverage elite-level influencing strategies with Ministers, key governmental coordinating bodies such as the Corporate Affairs Committee (CAC), the President's Office and the federal level Chamber of Commerce. subject matter expertise, as well as access to key political actors in Nigeria's government. They brought this to bear through direct diplomatic engagement, messaging, brokering of discussions, and direct support to key actors such as the Head of CAC.

MOST CRITICAL ENABLING FACTORS

GLOBAL EVENTS WITH LOCAL IMPLICATIONS

- Global movement towards anti-corruption and tax justice
- 2016 London Anti-Corruption Summit
- Panama Papers exposed in 2016

LOCAL EVENTS & OPPORTUNITIES

- Public mobilization and (sometimes violent) demonstrations targeting wealthy business owners and politically exposed persons. In turn, these people realized transparency was in their best interest to ward off citizen unrest.

MEDIA COVERAGE

- Study commissioned by London mayor on luxury home ownership in London and role of Nigerian wealthy business people in this

ROLE OF CIVIL SOCIETY

- Long standing track record and persistence of CISLAC (Transparency International's Nigeria Chapter) and other civil society actors in agenda setting, awareness raising, research and advocacy, which was further unleashed by the multi-stakeholder ownership structure of OGP

INDIVIDUAL CHAMPIONS

- President Buhari was personally committed to being a regional leader in BOT
- Director of Compliance (primary actor from OGP) was promoted to Head of Corporate Affairs Commission and worked relentlessly to see the Bill amended

GLOBAL STANDARDS AND NORMS

- Norms increasing in Western countries, and the Nigerian government's interest to lead regional norm setting

BIGGEST BARRIERS TO PROGRESS

- Nigeria's federal structure means states, state parliaments, and state chambers of commerce work at a slower pace than federal level agencies.
- The decentralized government structure makes implementation/accountability challenging.
- Nigerian parliament members had to vote against their own short-term interest, given the range of politically exposed individuals had direct stakes in corporations. This led to significant delays in the political process.

DIRECT FUNDING OUTCOMES

- FDCO (DFID) support through its Facility for Oil Sector Transformation (FOSTER 2) being implemented by Oxford Policy Management (OPM) was highly critical in helping NEITI facilitate cross-organizational conversations that culminated in confidence and trust building that caused the extractive register of beneficial owners and the CAMA 2020
- Funders supporting OGP are able to support many issue areas in addition to BOT (e.g., access to justice, access to information, health, education, gender equality).

ADDITIONAL OR UNINTENDED OUTCOMES

- Civil society organizations have gained more allies for future efforts and have strengthened their network through the BOT effort.
- Through the convening mechanism of OGP, grantee partners are empowered to broaden their transparency and anti-corruption work.

SIGNIFICANCE OF OUTCOME

This outcome marked an important signal of BO's relevance to non-OECD countries. Nigeria's challenging governance context and the misaligned incentive systems for parliamentarians and politicians (in terms of voting for the CAMA Amendment) prolonged the time and effort for the Bill to come into fruition. Further, Nigeria's federated structure posed further challenges, as the federal government has limited decision rights over what happens at the state levels. These challenges, and Nigeria's geopolitical significance in Africa, amplifies the Bill's significance as a regional influence and case example. However, the fact that the World Bank funding has been held up means that actual implementation remains postponed.

BIGGEST LESSON LEARNED

President Buhari and his cabinet were committed to make serious inroads into transparency and corruption by passing a bill on BO. The Nigerian government was motivated to model this commitment as a geopolitical leader on the African subcontinent, which resulted in a BO champion spearheading the relevant agency (CAC) and enabling OGP resources to complement the strong political commitment in an effective way.