



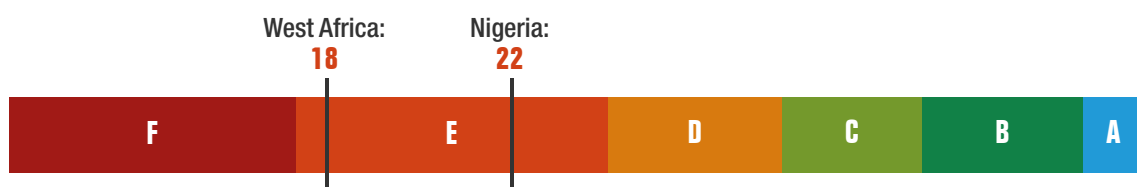
COUNTRY OVERVIEW:

NIGERIA

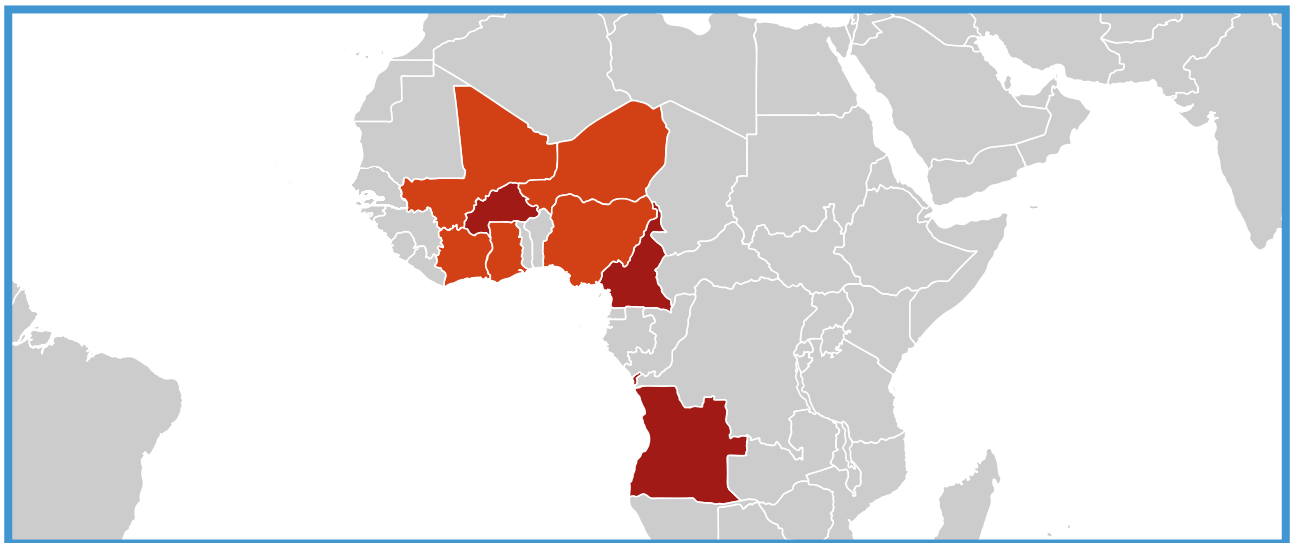
 2020 Government Defence Integrity Index

OVERVIEW: NIGERIA

Considering the peculiarity of the security situation of Nigeria, defined by the Boko Haram insurgency in the North East of the country, the tensions in the Middle-Belt and oil bunkering in the Niger Delta as well as piracy in the Gulf of Guinea, Nigeria's military operations are vital to its security. A transparent and accountable defence sector translates into a more effective defence sector, which is integral to the security of the state. Nigeria's legislative framework includes fundamental elements for the fight against corruption, such as the Public Procurement Act, the Whistle-blowers Protection legislation and the Freedom of Information Act; however, the implementation of the legal apparatus is somewhat deficient or not applicable to the defence sector. While some key defence documents are published, an updated version of the defence policy is not publically available; the percentage of secret spending is also not disclosed. While there are many parliamentary committees and independent audit bodies responsible for defence oversight, those bodies often lack coordination, expertise, resources, and access to information to fully perform their role. In recent years there have been high profile investigations on the grounds of corruption, but prosecution appeared to be politically selective at times. Engagement with the civil society exists, but is not systematic.



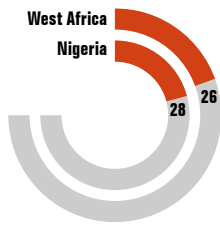
West Africa: Nigeria's position within the region



In West Africa, in recent years, state corruption and weak governance have fuelled popular grievances and diminished the effectiveness and legitimacy of national institutions. In the region, a variety of threats are looming on the security horizon. Governments are struggling to respond to spikes in Islamic terrorism and intercommunal violence. There are also enduring issues with corruption and drug trafficking that pose severe threats to national stability as they continue unchecked; weak accountability mechanisms and opacity in defence sectors across the region contribute to these problems. Lack of transparency translates into governments releasing incomplete information on budgets, personnel management systems, policy planning, and acquisitions of military assets. This, often coupled with lack of expertise and resources, undermines civilian oversight. The sector often is characterised by a status of exceptionalism which excludes it from regulations such as procurement or freedom of information legislation. However, most states in the region signed and/or ratified the UNCAC, showing some commitment towards the reduction of corruption risk within their borders.

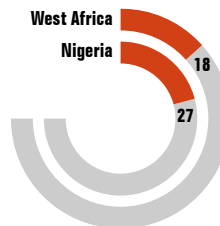
While Nigeria has made some efforts to increase the transparency of its defence sector, it shares some of the region's challenges in tackling corruption risks within the sector, such as excessive secrecy, insufficient oversight and limited engagement with civil society. Nevertheless, Nigeria has shown an increased political will to tackle corruption and its efforts must be sustained and accompanied by adequate reforms.

RISK AREAS



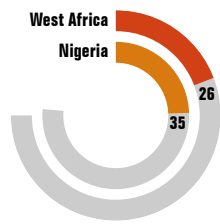
Political Risk

There is no evidence of a published, updated Defence Policy. Two key defence policy documents, the National Security Strategy and National Counter Terrorism Strategy, are publicly available, but somewhat dated (respectively dated 2014 and 2016). The lack of an updated, published defence policy diminishes the accountability of the whole defence sector and makes scrutiny over defence matters, including budget and acquisition planning, harder. The National Assembly oversees the defence sector through various committees, whose efficiency is limited by a lack of coordination, expertise and adequate access to information.



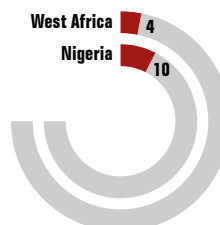
Financial Risk

The annual defence budget is publicly available but the percentage of secret spending related to national security and intelligence services is difficult to establish, and off-budget expenditures are permitted by law, which often allows for non-orthodox practices, such as the 'security vote' to take place. Nigeria's legislature also provides limited oversight during the budget cycle. Access to information is regulated by the Freedom of Information Law, but the Act is de facto limited by the Official Secrets Act, where there is no formal clarity on how the latter is compatible with the former and which takes priority.



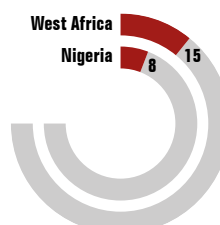
Personnel Risk

Soldiers' payments are often irregular and hardly adequate in Nigeria, which has an impact on the motivation of its troops; this increases the likelihood of the phenomenon of the ghost soldiers, which is significant in Nigeria. Salary information is publicly available but not routinely updated nor adequately detailed. Whistleblower Protection legislation is hampered by its interplay with military law, where there is no formal clarity on the priority scale. There is limited scrutiny around the appointment of sensitive personnel. There is a Military Code of Conduct which prohibits bribery and gifts but investigations only occasionally result in prosecution.



Operational Risk

While corruption is recognised as an issue to be addressed within military circles, corruption is not systematically identified at the operational planning stage and is not seen as requiring contingency planning. There is no evidence of systematic corruption risk monitoring during operations. There is provision made for training on issues relating to corruption, but it tends to be ad hoc and the connection between corruption, operational efficiency, and effectiveness could be emphasised further. The engagement of private military contractors in operations is unregulated, nor subject to scrutiny, and its costs are off-budget, meaning that private military contractors have access to significant power in an unregulated manner.



Procurement Risk

Scrutiny over matters of defence procurement is very limited in Nigeria. The Public Procurement Act excludes sensitive acquisitions relating to defence or security from its purview unless otherwise stated by the President, often resulting in significant expenditure going unscrutinised. Additionally, the lack of an updated defence policy contributes to the hardship in effectively scrutinising the sector's financial activities; for example, it makes the needs assessment phase of the budget cycle difficult to scrutinise and purchases are often ad hoc, rather than part of a long term strategic acquisition plan. Information on the defence procurement cycle is not disclosed to the public and the National Assembly and external bodies play a marginal role in overseeing the process. Other unorthodox practices are also widespread, including security votes and single sourcing.

THEMATIC FOCUS

The following section presents discussion of the four main challenges facing Nigeria, and suggests areas of reform that are possible, based on GDI findings.

Transparency

Transparency facilitates more effective government, not only by allowing oversight mechanisms to function effectively, but also by creating opportunities to streamline processes for greater impact and efficiency. Its absence is marked by mistrust in government and insecure political power. A lack of transparency over military capability, defence budgets, and acquisitions can increase the risk of arms proliferation, which in turn creates the potential for instability and pressure to increase defence spending. While some items may need to remain classified, opacity should be a well-founded exception, not a rule.

The government of Nigeria should disclose the percentage of secret spending, accompanied by a clear justification based on published classification criteria. It should also address the defence exceptionalism that characterises the Public Procurement Act, and extend provisions to supplier companies' agents and intermediaries. Release of detailed information on the budget cycle is essential to effective oversight of income and spending.

Oversight

Oversight functions exist in the form of anti-corruption bodies, audit functions, and/or parliamentary committees, but defence institutions have historically been exempt from this degree of scrutiny. Oversight mechanisms instil confidence that systems are resilient against undue influence and efficient in the face of resource challenges. Well-functioning oversight mechanisms ensure that national defence decisions around operations, budgets, personnel management, and arms acquisitions are robust and aligned with strategic needs, and can note problems at an early stage, before they threaten to hollow out defence and security institutions.

Ministries involved in the management of finances related to defence should disclose comprehensive information on a regular basis. Parliamentary debate on the defence policy is imperative, along with enhancing the expertise of committees responsible for defence oversight.

Operations

Since many military operations, both domestic and international, take place in fragile and (post)-conflict states where corrupt practices can be widespread, planners and leaders need to contend with the risk that corruption can pose. Corruption in operations wastes resources, empowers criminal networks, and contributes to conflict and insecurity. Equally, inserting missions – which come with financial resources and can grant political support to local stakeholders – can exacerbate corruption risks as much as it can diminish them. Military doctrines, pre-deployment training and monitoring in the field can all help prepare troops to counter these risks.

The Ministry of Defence should regulate the use of private military contractors and ensure that their deployment is subject to adequate scrutiny. Military salaries must be adequate and paid timely and regularly, and the number of military personnel must be disclosed, with and detailed information on their remuneration. Effort should be continued to tackle the phenomenon of the ghost soldiers.

COUNTRY SCORECARD: NIGERIA

Overall Country Score	E	22	Very High Risk
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Political Risk		E	28
Q5	International Instruments	B	75
Q13	Budget Scrutiny	C	50
Q20	Organised Crime Policing	C	63
Q8	Anticorruption Institutions	C	58
Q21	Intelligence Services Oversight	D	38
Q6	Public Debate	D	38
Q7	Anticorruption Policy	D	38
Q1	Legislative Scrutiny	E	25
Q15	Defence Income	E	17
Q16	Internal Audit	E	19
Q17	External Audit	E	17
Q18	Natural Resources	E	30
Q19	Organised Crime Links	E	25
Q22	Intelligence Services Recruitment	E	25
Q3	Defence Policy Debate	E	25
Q4	CSO Engagement	E	25
Q10	Risk Assessments	F	0
Q11	Acquisition Planning	F	8
Q12	Budget Transparency & Detail	F	13
Q14	Budget Availability	F	8
Q2	Defence Committee	F	13
Q76	Lobbying	F	0
Q23	Export Controls	NEI	
Q9	Public Trust in Institutions	NS	

Financial Risk		E	27
Q76	Defence Spending	A	94
Q31	Beneficial Ownership	C	50
Q33	Unauthorised Private Enterprise	C	50
Q27	Legislative Access to Information	E	25
Q29	Off-budget Spending	E	25
Q32	Military-Owned Business Scrutiny	E	25
Q24	Asset Disposal Controls	F	0
Q25	Asset Disposal Scrutiny	F	0
Q26	Secret Spending	F	0
Q28	Secret Program Auditing	F	13
Q30	Access to Information	F	13

Personnel Risk		D	35
Q44	Bribery for Preferred Postings	A	83
Q45	Chains of Command and Payment	A	100
Q35	Disciplinary Measures for Personnel	C	63
Q50	Facilitation Payments	C	50
Q41	Objective Appointments	D	33
Q46	Military Code of Conduct	D	38
Q47	Civilian Code of Conduct	D	44
Q48	Anticorruption Training	D	42
Q49	Corruption Prosecutions	D	33
Q36	Whistleblowing	E	17
Q42	Objective Promotions	E	31
Q34	Public Commitment to Integrity	F	13
Q37	High-risk Positions	F	0
Q38	Numbers of Personnel	F	8

Q39	Pay Rates and Allowances	F	13
Q40	Payment System	F	0
Q43	Bribery to Avoid Conscription	NA	

Operational Risk		F	10
Q51	Military Doctrine	E	25
Q55	Controls in Contracting	E	25
Q52	Operational Training	F	0
Q53	Forward Planning	F	0
Q54	Corruption Monitoring in Operations	F	0
Q56	Private Military Contractors	NS	

Procurement Risk		F	8
Q66	Anti-Collusion Controls	D	33
Q63	Procurement Requirements	E	17
Q68	Complaint Mechanisms	E	17
Q69	Supplier Sanctions	E	25
Q72	Offset Competition	E	25
Q57	Procurement Legislation	F	0
Q58	Procurement Cycle	F	0
Q59	Procurement Oversight Mechanisms	F	8
Q60	Potential Purchases Disclosed	F	0
Q61	Actual Purchases Disclosed	F	0
Q62	Business Compliance Standards	F	0
Q64	Open Competition v. Single Sourcing	F	0
Q65	Tender Board Controls	F	13
Q67	Contract Award / Delivery	F	13
Q70	Offset Contracts	F	0
Q71	Offset Contract Monitoring	F	0
Q73	Agents and Intermediaries	F	0
Q74	Financing Packages	F	0
Q75	Political Pressure in Acquisitions	NS	

Legend	Range of Scores	Corruption Risk
A	83 - 100	Very Low
B	67 - 82	Low
C	50 - 66	Moderate
D	33 - 49	High
E	17 - 32	Very High
F	0 - 16	Critical

Key

NEI - Not enough information to score indicator.

NS - Indicator is not scored for any country

NA - Not applicable

Transparency International Defence & Security

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