

**TRANSPARENCY AND ACCOUNTABILITY IN NIGERIA:
EVALUATING LEGAL AND INSTITUTIONAL
FRAMEWORKS FOR ACHIEVING SDG 16**

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ABSTRACT

Sustainable Development Goal (SDG) 16 emphasizes the promotion of peaceful, just, and inclusive societies through the establishment of effective, accountable, and transparent institutions. This paper examines Nigeria's progress toward achieving the objectives of SDG 16, focusing specifically on the state of transparency and accountability in governance. The study employs a critical analytical framework to evaluate the evolution of legislative instruments, institutional efforts, and public sector reforms. Notable successes include the implementation and the enactment of sophisticated anti-corruption laws geared towards the promotion of transparency and accountability. However, the analysis reveals that the effectiveness of these reforms is severely undermined by pervasive systemic challenges. These include a sharp decline in public confidence in anti-corruption efforts, persistent political interference, and significant enforcement deficits. The paper concludes that while Nigeria possesses the necessary legal instruments, achieving the goals of SDG 16 requires a concerted, multi-stakeholder strategy focused on strengthening institutional independence and enforcing due process to translate legal mandates into tangible, trust-restoring outcomes by 2030.

Keywords: SDG 16, Transparency, Accountability, Governance, Anti-corruption

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1.0. Introduction

The political landscape of Nigeria has undergone a significant transformation over the past two decades. The country successfully transitioned from an infamous military dictatorship in the late 1990s to one of the strongest, most vibrant democracies in Africa.¹ However, this monumental achievement is heavily tempered by the persistence of deep-seated and pervasive corruption, which remains the greatest policy issue and danger to sustained growth, stability, and public trust². This entrenched dishonesty and misuse of public resources necessitates a rigorous and sustained focus on the core governance principles of transparency and accountability. This pervasive reality places Nigeria's governance efforts directly under the global mandate of Sustainable Development Goal (SDG) 16, which calls for the promotion of peaceful, just, and inclusive societies through the establishment of effective, accountable, and transparent institutions.³ The Nigerian government has responded to this challenge with a series of legislative and institutional initiatives, including the formation of specialised anti-graft agencies and the passage of sophisticated laws aimed at managing public finances and deterring economic crime. These efforts represent a formal commitment to the 2030 Agenda.

This paper provides a critical examination of Nigeria's progress toward achieving the objectives of SDG 16. It begins by conceptually clarifying the interdependent nature of transparency and accountability before analyzing the full spectrum of Nigeria's legal frameworks, including the impact of recent legislation like the Companies and Allied Matters Act (CAMA) 2020 and the Money Laundering Act 2022. Crucially, the study presents a detailed progress report that contrasts legislative achievements with practical realities, utilising recent data from national surveys and international observation missions to highlight areas of success and persistent implementation gaps.

¹ T. Oladipupo, 'Vestiges of Military in Democratic Governance in Nigeria' (2017) *ABUAD Journal of Humanities* Vol. 5: 31-42.

² Ibid.

³ United Nations, *Peace, Justice and Strong Institutions (United Nations Sustainable Development2025)* <<https://www.un.org/sustainabledevelopment/peace-justice/>> accessed 12 November 2025.

The paper is structured as follows: Section 2.0 provides Conceptual Clarifications of transparency and accountability; Section 3.0 details the relevant Legal Frameworks and Institutional Mechanisms in Nigeria; Section 4.0 offers a comprehensive, data-driven Progress Report on the Actualisation of SDG 16; and finally, Section 5.0 offers a Conclusion and Recommendations for a system-wide strategy to accelerate the achievement of SDG 16 objectives. By evaluating the system-wide obstacles, such as political interference and enforcement capacity, this paper aims to offer systemic recommendations necessary to accelerate progress toward a truly transparent and accountable government by the 2030 target.

2.0. Conceptual Clarifications

2.1. Transparency

Although transparency is required in governance, there is lack of a consensus on the definition for the term.⁴ The multifaceted idea of transparency frequently implicates the rule of law, impartiality, accountability, or even corrupt behavior. Practitioners and academics continue to disagree on what constitutes transparency, despite the fact that assessments of the idea have proliferated across a wide range of disciplines, including management, development, ethics, economics, law, political science, and public administration. A group of researchers concentrate on the implications of transparency, which are meant to lead to increased engagement, confidence, and trust as well as fewer corrupt behaviors and more effective and efficient management.⁵

From a post-modernist perspective, transparency has three meanings: transparency as a public value that society embraces to fight corruption; transparency as a term that connotes open decision-making by governments and nonprofits; and transparency as a sophisticated instrument of good governance in policies, organizations, politics, and countries. Transparency and accountability are intertwined in the first metaphor, whereas worries over privacy and secrecy grow as transparency promotes openness. According to the third perspective,

⁴ M. Bauhr and M. Grimes, *What is Government Transparency: New Measure and Relevance for Quality of Government*, (Working Paper Series, QOG, 2012) 16.

⁵ A.M. Jacobs and Tim Buthe, *Transparency in Qualitative Research: An Overview of Key Findings and Implications of the Deliberations*, (Working Paper Series, QTD, 2019) 1.

decision-makers develop accountability, efficacy, and transparency simultaneously.⁶

Historically, transparency developed as a tool to combat secrecy, which predominated in the 17th and 18th centuries. During the French Revolution, it took on a political, legal, and moral dimension. As the "mask culture" gives way to a "culture of visibility," where secrecy is viewed with disapproval, transparency is employed as a check on unbridled monarchy, a structure entirely predicated on deceit and volatility. Therefore, proponents of transparency support notions of public opinion. The broadest ideology of transparency is that customary principles should guide government behavior rather than being applied haphazardly.⁷ The analysis conducted by researchers indicates that there is a tendency for transparency to conceptually permeate other normative standards that are equally appealing, such as liberal democracy, rule of law, accountability, and public involvement.

According to the World Trade Organization, encouraging transparency in international trade agreements typically involves three main components: (a) making publicly available information on pertinent laws, regulations, and other political issues; (b) informing interested parties of pertinent laws, regulations, and changes to them; and (c) making sure that laws and regulations are applied consistently, impartially, and reasonably.⁸ This conceptualization includes the idea that rules and regulations must be applied impartially and traditionally in addition to providing information to stakeholders. It has been observed that the evolution of the term "transparency" has a lot to do with nongovernmental and supranational organizations.⁹

⁶ C. Ball, 'What is Transparency?' available at <<https://www.researchgate.net/profile/Carolyn-Ball/publication/250174526/links/545bbd6b0cf2f1dbcbcb01ea/What-Is-Transparency.pdf?tp=eyJjb250ZXh0Ijp7ImZpcnN0UGFnZSI6InB1YmxpY2F0aW9uIiwicGFnZSI6InB1YmxpY2F0aW9uIn19>> accessed 1 September 2024.

⁷ C. Hood, 'What Happens When Transparency Meets Blame-Avoidance?' (2007) *Public Management Review*, Vol 9(2): 191-210.

⁸ A. Bellver and D. Kaufman, 'Transparenting Transparency: Initial Empirics, and Policy Applications' (2005) SSRN Electronic Journal available at <https://www.researchgate.net/publication/228190227/Transparenting_Transparency_Initial_Empirics_and_Policy_Applications> (accessed 1 September 2025)

⁹ Ball, (note 4).

The essential elements of transparency are opportunities for exposure or publicity, protection for whistleblowers, and government openness.¹⁰ Scholars define government transparency as the information that the government releases, i.e., the extent to which it makes information available or publishes it electronically, as well as the extent to which citizens can request and obtain information that is not proactively published. However, whistleblower protection shields people who divulge information from being linked to or vulnerable to retaliation from those in positions of power. The term "whistle blowing" refers to the practice of organization members disclosing to individuals or groups that have the power to take action, information about illegal, immoral, or illegitimate conduct committed by their employers. Publicity, the third element of transparent government, measures how likely it is that discovered irregularities will be seen by the general public and pertinent stakeholders. The focus on abuses by the government, the strengthening of democracy, and the development of new tools has made transparency a crucial component that has almost universal support.¹¹

Transparency is a multifaceted concept that went beyond the straightforward rights to use information and disclose administrative information. It can be divided into two primary categories: the deliberate release of information by the government and passive transparency, which refers to requests for information made by citizens.¹² Heald lists five characteristics of transparency: the information must be inclusive; it must be disciplined; there must be a connection between capacity issues and the structuring of political incentives; there must be an independent security capacity; and, lastly, public auditing is important when it comes to public spending.¹³ Transparency and power have become components of tactical discussions in international relations. It is believed that transparency, or the degree of openness with which information is shared, indicates

¹⁰ Bauhr and Grimes, (note 2).

¹¹ Ibid.

¹² V. Mabillard and R. Zumofen, *The Uncertain Relationship between Transparency and Accountability Revised through Four Swiss Cases*, (Working Paper, De l'IDHEAP, 2015)8.

¹³ D. Heald, "Why is Transparency about public expenditure so elusive?" (2012) 78(11) *International Review of Administrative Science* 30-49.

how trustworthy the parties involved in talks are.¹⁴ Increasing the rate of transparency in public decision-making makes democracy and citizen participation more likely.

Based on the above succinct analysis of the definitions and theoretical foundations of transparency, it is submitted that transparency is more than just an organization's decision to make information publicly available. It supports the creation of legislation and supportive environments that will provide citizens with easy access to this information when needed. In order to promote good governance, transparency demands that the public not only understand what the administration is doing, but also actively participate in it. Additionally, individuals must be able to use the information at their disposal to evaluate government actions.

2.2. Accountability

The idea of accountability has a long history in accounting and is based on accurate record keeping. Hammurabi, the ruler of Babylon around 2000 B.C., is credited with originating the concept of accountability. Prior to deciding to create a legal code, Hammurabi considered having authority over the person chosen to represent the state and oversee its resources.¹⁵

The origins of the modern concept of accountability can be found during William I's rule, which took place in the decades after the Norman Conquest in 1066.¹⁶ William gave his administrative instruction to all property holders in 1085, and instructed them to compute the value of the property they possessed. Royal agents appraised and documented these possessions in the Domesday Books. The counting served not just a taxing function; it established the foundation for royal governance. The Domesday Books, which were primarily used for tax collection, were also the first to inventory English property and established the legal and administrative

¹⁴ D.H. Clark and W. Reed, "The Strategic Sources of Foreign Policy Substitution," (2005) 49(3) *American Journal of Political Science* 609-624.

¹⁵ P. Birds, *Accounting: Standard in Financial Reporting*, (Haymarket Publishing, 1973)

¹⁶ M.J. Dubnick, 'Seeking Salvation for Accountability' (2017) <<https://www.semanticscholar.org/paper/Seeking-Salvation-for-Accountability-Dubnick/b53ed060e261f587df9c39b31cff6e4dc47b4433>> accessed 12 November 2025.

framework for royal government. The king forced all landowners to take an oath of allegiance, and the Domesday Books defined the boundaries of his domain. This evolved into a highly centralized administrative relationship from the beginning of the 12th century, governed by centralized auditing and semi-annual account-giving. For the first time, the concept and word of what we now refer to as "accountability" appeared in the Domesday Book. Accountability has evolved beyond the simple bookkeeping and financial management problems of today. In both public and private companies worldwide, it is now used as a gauge of good governance. In ancient Greece, public officials were required by the state to provide an account of their public deeds. This is when the responsibility or answerability approach to accountability originated. The concept of public accountability in public management now emerges.¹⁷

Various perspectives have been used to study accountability, including empirical, social, evaluative, and prescriptive.¹⁸ Accountability, in today's political analysis, is associated with the promise of integrity and ethical acceptability, openness and democratic scrutiny, learning and improvement, equity, fairness, and justice. The United Nations General Assembly and other international and continental nonprofit organizations have recognized the ideas of integrity, openness, and accountability as essential components of public management and good governance, both jointly and separately.¹⁹ Accountability has been defined as public officers' responsibility to answer for how they handle public resources and to take responsibility when they fall short of predetermined performance goals. Accountability is a public manners requirement that mandates public office holders answer to the public for their decisions and acts and submit to any examination that is appropriate for their position.²⁰

¹⁷ *ibid.*

¹⁸ M Bovens, "Analyzing and Accessing Accountability: A conceptual framework," (2007) *European Law Journal* Vol. 13(14): 447-468.

¹⁹ United States Mission to the United Nations, "UN Transparency and Accountability Initiative," available at <<https://usun.usmission.gov/mission/management-and-reform-section/un-transparency-and-accountability-initiative/>> accessed 1 September 2025.

²⁰ E. Armstrong, "Integrity, transparency and accountability in public administration: Recent trends, regional and international development and emerging issue" (2005) *Economic and Social Affairs, United Nations*.

Generally, accountability generally refers to a person's or an organization's obligation to provide an explanation for how they carried out their affair. The responsibility for the actions of public servants and establishments is referred to as accountability.²¹ Similarly, accountability is linked to the procedure that requires public servants and institutions to explain, defend, and amend decisions made while serving as public trustees as well as to acknowledge the consequences of their actions.²² Accountability also denotes being held accountable for one's acts; having the authority to revoke a mandate; being able to punish when justification is insufficient; having the public inspect government actions; and having citizens participate in the program's design. Fiscal accountability includes approving policies and measures that have an impact on the economy by a representative body, endorsing a yearly or medium-term budget, and putting in place a system to ensure that no steps are taken during economic management that would impair the community's ability to manage its finances. In terms of management, accountability entails following the right procedures, ensuring that authority is not abused, taking risks within the bounds of authority to achieve goals, providing services within a given budget, quality standard, and timeline, and keeping economy and efficiency in mind.²³ In the words of Adegbite, accountability is defined as having duties carried out in accordance with accepted norms and regulations and having official reports that fairly and accurately reflect performance in respect to assigned tasks and plans.²⁴

Coker identified the two methods to measure accountability. They are performance-based accountability and process-based accountability. While performance is evaluated against broad objectives in the performance-based accountability approach, public managers' compliance with pre-established standards and officially stated outcomes is measured in the process-based accountability approach.²⁵

²¹ Hood, (note 6).

²² P. Finn, "Public Trust and Public Accountability," (1993) *Australian Quarterly* 50-59.

²³ A. Premchand, 'Public Financial Management: Getting the Basic Right in S. Schiavo (Ed), *Governance, Corruption, and Public Financial Management*, (1999) *Asian Development Bank*.

²⁴ O. Adegbite, "Accounting, Accountability and National Development" (2010) *Nigerian Accountant* Vol. 43(1): 56-64.

²⁵ O. Coker, 'Accounting in third sector organization: What role for accounting?' (2010) *Nigerian Accountant* Vol. 43(1): 23-29.

Private accountability is actually different from public accountability in that it is restricted to shareholders and the public does not have a general right to inquire about the actions of private corporations, even if such actions have an impact on their own life. The legal and administrative accountability relationships and standards that apply to holders of public office are often not applicable to holders of private office. There are fewer or less accessible channels for external complaints and redress, they are not bound by the strict rules of administrative law, and ombudsmen and audit agencies have no authority over them. Public accountability's advantages and disadvantages have been emphasized.²⁶ He claims that public accountability upholds or strengthens the legitimacy of public governance, promotes performance, and is a democratic means of control.

However, he pointed out that excessive public accountability can become dysfunctional. Public managers lose their entrepreneurial spirit when agencies adopt overly strict control mechanisms and become rule-obsessed bureaucrats. While an excessive emphasis on accountability and transparency can result in suboptimal and inefficient decision-making rather than improve performance,²⁷ an excessive emphasis on integrity and corruption control leads to proceduralism that severely hinder the efficiency and effectiveness of public agencies.²⁸

From the foregoing, it is clear that accountability entails making public or private officials responsible for their actions, whether intentional or not, while carrying out their designated duties. It is about the citizens' right, in the instance of the public sector, to hold their representatives accountable for how they used the resources and authority entrusted to them. Transparency is necessary for accountability to fulfill its purpose, as citizens cannot evaluate their representative's stewardship report in an effective manner until they are aware of the resources at their disposal and the actions taken by them.

²⁶ M. Bovens, "Public Accountability" in E. Jerlie, L. Lynne and C. Polite (Eds), *The Oxford Handbook of Public Management*, (2005) Oxford University Press.

²⁷ S. Adelberg and D. Batson, "Accountability and Helping: When needs exceeds resources," (1978) *Journal of Personality and Social Psychology* Vol. 36: 343-350.

²⁸ F. Anechiarico and J. Jacobs, *The Pursuit of Absolute Integrity: How Corruption control makes government ineffective*, (University of Chicago Press, 1996).

3.0 Legal Framework on Transparency and Accountability in Nigeria

Several laws have been enacted to promote transparency and accountability in governance. These include the Code of Conduct Bureau, the Corrupt Practices and Other Related Offences Act 2000, the EFCC Establishment Act of 2004, The Independent Corrupt Practices and Other Related Offences Commission Act, Money Laundering (Prevention and Prohibition) Act, 2022, Companies and Allied Matters (CAMA), The Electoral Acts, amongst others. Although, there is a plethora of relevant Acts, those in this paper were selected because they constitute the principal legal mechanisms through which Nigeria seeks to promote transparency, accountability, and good governance in line with Sustainable Development Goal 16.

3.1 Code of Conduct Bureau and Tribunal Act

The Code of Conduct Bureau was established under the Code of Conduct Bureau and Tribunal Act²⁹ to maintain the highest moral standards in the way government business is conducted. Also established, albeit independently, is the Code of Conduct Tribunal, tasked with making decisions on instances referred to it by the Code of Conduct Bureau.³⁰

The Bureau is saddled with the responsibility of implementing Section 3, Part 1 of the Fifth Schedule of the Federal Republic of 1999 Constitution. When public officials make fraudulent declaration or fail to declare their asset, it amounts to an offence. Furthermore, it receives their declarations, examines them, and brings legal action against the officials.³¹ In terms of the public servant code of conduct, it also establishes standards.³² The Code also addresses issues of divided allegiance. In other words, a public servant must not allow their personal interest to conflict with their official duty. In order to fulfill their obligations as public servants or prior to doing so, they must desist

²⁹ Act No. 1 1989.

³⁰ “Explanatory Manual on: The Code of Conduct for Public Officers (CCPO)” available at < <https://tugar.org.ng/wp-content/uploads/2021/09/Manual-for-CCC-latest.pdf>> (accessed 1 September 2025).

³¹ Code of Conduct Act, s. 15

³² Ibid, s. 2

from soliciting and collecting bribes,³³ and gifts.³⁴ They cannot also engage in unlawful enrichment.

Failure or delay to complete and submit the assets declaration form to the Code of Conduct Bureau is an offence under the Code.³⁵ If an officer violates the Code of Conduct Bureau Act, they may be removed from their position, be barred from holding public office for a minimum of ten years, and have any property obtained via corruption or abuse of their position seized and forfeited to the state.³⁶ This, however, does not terminate the criminal liability of such an officer where the violation also constitutes a crime.

3.2 The Economic and Financial Crimes Commission (Establishment, Etc) Act, 2004

The EFCC is a designated Financial Intelligence Unit in Nigeria, created by the EFCC (Establishment) Act 2004.³⁷ Its duties include coordinating efforts amongst various institutions fighting money laundering and investigating and enforcing all laws pertaining to economic and financial crimes in Nigeria.³⁸ Apart from the authority granted by the Act, the Commission is also accountable for implementing the provisions of the Advance Fee Fraud and Related Offences Act, 1995, the Failed Banks (Recovery of Debts) Act, 2003 No. 7 and 1995 No. 13, and the Financial Malpractices in Banks Act, the Miscellaneous Offences Act, the Banks and Other Financial Institutions Act, 1991 as amended, and any other legislation or rule pertaining to financial and economic offenses including the Criminal and Penal Codes.³⁹

Any official of a financial institution who violates the Act's provisions or neglects to ensure the authenticity of any statement submitted in

³³ Ibid, s. 12

³⁴ Ibid, s. 11

³⁵ Ibid. s. 16

³⁶ Ibid, s. 23

³⁷ Economic and Financial Crimes Commission (Establishment, Etc) Act, 2004, s. 1(2) (c).

³⁸ Ibid, s. 1(2) (c).

³⁹ Ibid, s. 7(2) (a)-(f).

accordance with the Act's provisions faces a maximum sentence of five years in prison and/or a fine of \$500,000.⁴⁰

Crimes pertaining to the financing of terrorism carry a life sentence under the Act,⁴¹ whereas offences involving the dissemination of false information about matters covered by the Act carry sentences of two to three years in prison, or three to five years if the perpetrator is a public official.⁴² Anyone who conceals, removes, or purposefully keeps proceeds of criminal action faces a minimum 3-year prison sentence or a fine equal to 100% of the value of the proceeds from economic and financial crimes.⁴³

In a similar vein, anyone found guilty of acquiring, possessing, or using property, managing or funding an offence, or converting or transferring property with the knowledge that it is all related to an offence under the Act faces a sentence of two to three years in jail.⁴⁴ Moreover, the Federal Government of Nigeria will own all assets confiscated following a conviction under the Act.⁴⁵

The Act further stipulates that the Attorney General of the Federation and the EFCC may work together to compound any offence that is punishable under the Act.⁴⁶ The EFCC may choose to stop or look into criminal proceedings against any offender in exchange for a sum of money that it determines appropriate, up to the maximum amount that the offender would have been liable for if found guilty.⁴⁷

3.3 The Independent Corrupt Practices and Other Related Offences Commission Act

The ICPC Act 2000⁴⁸ was established to prohibit corrupt activities and other related offences, as well as to prescribe penalties for them. With effect from June 13, 2000, it created the Commission and gave it authority to look into and prosecute offenders for the offenses

⁴⁰ Ibid, s. 14.

⁴¹ Ibid, s. 18(1) (b).

⁴² Ibid, s. 16.

⁴³ Ibid, s. 17.

⁴⁴ Ibid, s. 18.

⁴⁵ Ibid, s. 20.

⁴⁶ Ibid, s. 6(o).

⁴⁷ Ibid, s. 14(2).

⁴⁸ Act No. 5 of 2000.

committed. The following are among the crimes and penalties covered under the Act. The Act prohibits acceptance or an attempt to receive or request for gratification by an official either directly or indirectly.⁴⁹ A violation of this provision is punishable with imprisonment for seven years. Also, it is unlawful to offer bribe to public officials or demand bribe from them.⁵⁰

The Act punishes anyone who fraudulently receives any property,⁵¹ receipt of postal matters⁵² or chattel⁵³ with imprisonment for seven and three years respectively. It is an offence under the Act for any person to deliberately frustrate the process of investigation by the Commission.⁵⁴ Making false statement or falsifying returns regarding money or property received constitutes an offence under the Act.⁵⁵ It is unlawful to receive gratification by or through agent.⁵⁶ Furthermore, the Act deems it unlawful for a public official to use their office or position to gratify or confer unfair advantages on themselves, relation, or associate.⁵⁷ Significantly, it is an offence to award contracts without budget provision, approval, and cash banking. This is punishable with an imprisonment for three years with a fine of N100,000.⁵⁸

3.4 Money Laundering (Prevention and Prohibition) Act, 2022

The Money Laundering (Prevention and Prohibition) Act, 2022,⁵⁹ repealed the 2011 law and introduced a more comprehensive framework for the prevention, detection, prosecution, and punishment of money laundering and related offences in Nigeria.⁶⁰ The Act seeks to strengthen institutional mechanisms against illicit financial flows and to align Nigeria's anti-money-laundering regime with global

⁴⁹ ICPC Act, s. 8.

⁵⁰ Ibid, s. 9 and 10.

⁵¹ Ibid, s. 12.

⁵² Ibid, s. 13.

⁵³ Ibid, s. 14.

⁵⁴ Ibid, s. 15.

⁵⁵ Ibid, s. 16.

⁵⁶ Ibid, s. 17.

⁵⁷ Ibid, s. 19.

⁵⁸ Ibid, s. 22(4).

⁵⁹ Money Laundering (Prevention and Prohibition) Act, No. 14, 2022

⁶⁰ E. Nwosu, S. Nwatu, and E. Arum, 'The Role of Anti-Money Laundering Laws and Institutions in Promoting Financial Integrity and Transparency towards Achieving SDG 16 in Nigeria' (2024) International Journal of Legal Developments & Allied Issues Vol. 10(19): 19.

standards. It also established the Special Control Unit against Money Laundering (SCUML) under the Economic and Financial Crimes Commission (EFCC) for the regulation of designated non-financial businesses and professions.⁶¹

A major innovation of the Act is the extension of anti-money-laundering obligations beyond law-enforcement agencies to include financial institutions and non-financial businesses such as hotels, real-estate developers, consultants, accountants, lawyers, and dealers in precious metals and stones.⁶² Under Section 3(1), any transfer of funds or securities exceeding US\$10,000 to or from a foreign country must be reported to the Nigerian Financial Intelligence Unit (NFIU), the Central Bank of Nigeria (CBN), and the Securities and Exchange Commission (SEC). Section 3(5) further requires anyone transporting cash or negotiable instruments above that amount within or outside Nigeria to declare it to the Nigerian Customs Service, failing which such funds may be confiscated and the offender imprisoned for at least two years.

The Act obliges financial and non-financial institutions to identify and verify customers and beneficial owners through reliable documents as prescribed by regulation.⁶³ Suspicious transactions must be reported to the NFIU within twenty-four hours, whether completed or not.⁶⁴ Failure to comply attracts a fine of ₦1 million per day until rectified⁶⁵, and institutions are required to retain transaction records for at least five years.⁶⁶

In addition, Section 10(1) mandates institutions to establish internal control measures such as appointing compliance officers, conducting staff training, and maintaining audit units to ensure adherence. Regulators like the CBN, SEC, and SCUML may impose fines of up to ₦5 million or suspend licences for persistent violations.⁶⁷

Offences under Sections 18–22 include participation in organised criminal groups, terrorism financing, corruption, fraud, kidnapping,

⁶¹ MLA, s. 1.

⁶² Nwosu, Nwotu and Arum (n 59).

⁶³ Ibid, s. 4(1).

⁶⁴ Ibid, s. 7(1)-(3).

⁶⁵ Ibid, s. 7(10).

⁶⁶ Ibid, s. 8(1).

⁶⁷ Ibid, s. 18(16).

and insider trading. Individuals found guilty face imprisonment for between four and fourteen years and fines not less than five times the value of the proceeds,⁶⁸ while corporate offenders are liable to similar multiples.⁶⁹ Notably, Section 18(8) allows prosecution without proving a specific predicate offence, and Section 18(9) permits intent or knowledge to be inferred from factual circumstances.

3.5 Companies and Allied Matters Act (CAMA)

The Companies and Allied Matters Act (CAMA) 2020,⁷⁰ introduced a significant transparency reform through the establishment of a legal framework for the disclosure of beneficial ownership, referred to in the statute as the identification of “persons with significant control” over companies and limited liability partnerships. This framework, which underpins Nigeria’s open governance and anti-corruption commitments, was operationalised by the launch of the Open Central Register of Beneficial Ownership (Persons with Significant Control Register) on 25 May 2023 by the Corporate Affairs Commission (CAC).⁷¹

Under Section 119(1) of CAMA, every person with significant control over a company must, within seven days of attaining such status, notify the company in writing of the particulars of that control. In accordance with Section 119(2), the company is then required, within one month of receiving such information, to notify the CAC and to disclose the same information in its annual return for the relevant year. Pursuant to Section 119(3), the Commission maintains a central register of persons with significant control, while Section 119(4) obliges companies to record the information in their own register of members. Failure to comply with these provisions attracts daily monetary penalties against both the company and its officers under Section 119(5).

In a similar vein, Section 120(1) requires any person who becomes a substantial shareholder in a public company to notify the company of their name, address, and the full particulars of their shareholding, whether held directly or through a nominee. Section 120(2) defines a

⁶⁸ Ibid, s. 18(3).

⁶⁹ Ibid, s. 18(4).

⁷⁰ Companies and Allied Matters Act, 2020, Act No. 3 of 2020.

⁷¹ Corporate Affairs Commission, ‘Beneficial Ownership Register: What You Need to Know’ (2023) <<https://www.cac.gov.ng/fb-5146/>> accessed 11 November 2025.

substantial shareholder as one who holds at least five per cent of the unrestricted voting rights in a public company, while Section 120(3) mandates that such disclosure be made within fourteen days of becoming aware of that status.

CAMA also extends beneficial-ownership transparency obligations to limited liability partnerships (LLPs). Under Section 791(1), a person with significant control over an LLP must, within seven days of acquiring such control, provide the partnership with written particulars of that control. The partnership must, within one month, report the information to the CAC, which is required under Section 791(3) to maintain a register of persons with significant control over LLPs. Sections 791(4)-(7) prescribe daily penalties for default by partners or partnerships and introduce criminal liability, including up to six months' imprisonment, for making false statements in purported compliance.

For definitional clarity, Section 868 of CAMA provides that a “person with significant control” means any individual who directly or indirectly holds at least five per cent of the shares or voting rights in a company or LLP; has the right to appoint or remove a majority of its directors or partners; exercises significant influence or control over the entity; or holds similar rights or influence through a trust or firm.

In accordance with the Persons with Significant Control (PSC) Regulations 2022, a beneficial owner and a person with significant control are treated as synonymous. The Regulations and the CAC guidelines stipulate that PSC information must be filed electronically through the Company Registration Portal (CRP) at incorporation, upon any change in particulars, and during the filing of annual returns. Sanctions for non-submission, late submission, or false declarations include daily monetary penalties, restrictions on relevant interests, imprisonment for up to two years, suspension of post-registration filings, and the classification of the defaulting entity as “inactive” on the CAC’s online platforms.

Through these provisions, CAMA 2020 institutionalises beneficial-ownership disclosure and the maintenance of a publicly accessible central register, thereby advancing corporate transparency, strengthening regulatory oversight, and supporting Nigeria’s pursuit of accountability and anti-corruption objectives consistent with Sustainable Development Goal 16.

3.6 The Electoral Act, 2022

The Electoral Act, 2022⁷² reinforces the constitutional provisions on the financial conduct of political parties, particularly those contained in Sections 225 and 226 of the 1999 Constitution of the Federal Republic of Nigeria (as amended), which prohibit foreign funding and mandate annual disclosure of party finances. The Act establishes a framework for promoting financial transparency, accountability, and equitable political competition through detailed reporting, disclosure, and audit requirements.

Under Section 85, any political party that holds or possesses funds outside Nigeria, or retains any foreign funds or assets, in contravention of Section 225(3)(a) of the Constitution, commits an offence. Upon conviction, such funds or assets are forfeited to the Independent National Electoral Commission (INEC), and the party is further liable to a fine of at least ₦5,000,000. This provision aims to prevent external interference in Nigeria's political process and to ensure that political financing remains transparent and domestically traceable.

In accordance with Section 86(1), every political party is required to submit to INEC a detailed annual statement of its assets and liabilities, disclosing sources of funds, expenditures, and membership data, in both hard and electronic formats or in such manner as the Commission may prescribe. Section 86(2) makes it an offence for any party official to contravene this requirement, punishable by a fine of ₦1,000,000, six months' imprisonment, or both. Pursuant to Section 86(3), INEC officers authorised in writing may examine the party's financial records and audited accounts, while Section 86(4) mandates INEC to publish the audit results in two national newspapers and on its website within thirty days of receipt, thereby enhancing public access to political finance information.

Furthermore, Section 87(1) empowers INEC to set limits on the amount of money or assets individuals can contribute to political parties or candidates and to demand disclosure of the amounts and sources of such contributions. The Act complements this with spending ceilings across electoral offices, establishing, among others, a maximum of ₦5 billion for presidential candidates, ₦1 billion for governorship candidates, ₦100 million for senatorial seats, and ₦70 million for

⁷² Electoral Act No. 13 2022.

House of Representatives contests. These limits are intended to ensure equity and transparency in electoral competition while curbing undue financial influence.

Through these provisions, the Electoral Act, 2022 strengthens the accountability mechanisms governing political party financing in Nigeria. It empowers INEC to monitor compliance, enforce financial disclosures, and publish audit outcomes, thereby promoting openness in party operations and aligning Nigeria's electoral processes with the transparency objectives of Sustainable Development Goal 16.

Overall, Nigeria's legal framework for transparency and accountability demonstrates considerable progress in establishing robust institutions and detailed statutory mechanisms to combat corruption, promote fiscal discipline, and ensure open governance. The Money Laundering Act, CAMA, and the Electoral Act collectively strengthen financial integrity, corporate transparency, and political accountability. However, these frameworks remain weakened by overlapping institutional mandates, insufficient enforcement capacity, limited public access to information, and inadequate use of digital monitoring systems.⁷³ Thus, while the laws are comprehensive on paper, their effectiveness depends on consistent implementation, institutional independence, and genuine political commitment.

4.0 Progress Report on the Actualisation of SDG 16 in Nigeria

Having examined key legislations promoting transparency and accountability in Nigeria, the relevant question at this juncture is whether the Nigerian legal frameworks on accountability and transparency have ensured the actualization of SDG 16 in Nigeria. Hence, this section contains a progress on the actualisation of this goal.

4.1 Mixed Success: National Anti-Corruption Indicators

Despite the implementation of aggressive anti-corruption campaigns and sophisticated legislative reforms, the overall progress toward institutionalising transparency and accountability remains mixed, as reflected in various national and international assessments. On the global stage, Nigeria continues to face significant challenges, scoring 26 and ranking 140 out of 180 nations in the 2024 Transparency

⁷³ Nwosu, Nwotu and Arum (note 60).

International's Corruption Perceptions Index (CPI).⁷⁴ This suggests high and relatively stable levels of public concern, with corruption ranking as the fourth most important problem affecting Nigerians in 2023.⁷⁵

Furthermore, public confidence in the government's efforts has declined sharply. The 2023 "Corruption in Nigeria: Patterns and Trends" report by the United Nations Office on Drugs and Crime (UNODC) and the National Bureau of Statistics (NBS) shows that while more than half of all citizens felt the government was effective in fighting corruption in 2019, this share dropped to **less** than a third by 2023. This decline in trust was consistent across all six geopolitical zones.⁷⁶

Despite this erosion of confidence, there are some indicators of positive behavioural change. The prevalence of bribery showed a minor but statistically significant decrease, with the estimated number of bribes paid falling from 117 million in 2019 to 87 million in 2023.⁷⁷ The proportion of citizens who had contact with a public official and paid a bribe dropped from 29% to 27%.⁷⁸ However, this silver lining is tempered by the fact that the average bribe paid increased substantially, rising from ₦5,754 in 2019 to ₦8,284 in 2023, resulting in a total estimated payment of ₦721 billion.⁷⁹ Crucially, the institutional response to reported corruption has improved: the share of bribery reports that lead to the initiation of a formal procedure against a public official increased almost threefold between 2019 and 2023, rising from 16% to 45%.⁸⁰

⁷⁴ Transparency International, 'Nigeria' (*Transparency.org*2024) <<https://www.transparency.org/en/countries/nigeria>> accessed 11 November 2025.

⁷⁵ UNODC and Nigeria Bureau of Statistics, 'Corruption in Nigeria: Patterns and Trends.' (2024) <https://www.unodc.org/conig/uploads/documents/3rd_national_corruption_survey_report_2024_07_09.pdf?> accessed 10 November 2025.

⁷⁶ Ibid.

⁷⁷ Ibid.

⁷⁸ Ibid.

⁷⁹ Ibid.

⁸⁰ Ibid.

4.2 Legislative Reforms and Enforcement Gaps

Nigeria's commitment to SDG 16 is most evident in the passage of significant modern legislation, though implementation remains the core hurdle. The Companies and Allied Matters Act (CAMA) 2020 established a legal framework for Beneficial Ownership (BO) disclosure, a critical transparency objective.⁸¹ The launch of the open Beneficial Ownership Register in May 2023 was a landmark step. However, its effectiveness is currently constrained by key gaps, including the absence of comprehensive data, as many business entities have yet to register. More critically, there is no public evidence that law enforcement officials are actively utilising the BO Register as actionable intelligence for the investigation and prosecution of financial crimes, indicating a disconnect between legislative progress and effective judicial follow-through.⁸² The need for wider sensitisation of relevant stakeholders on the benefits and use of the register is paramount, as is the need to complement BO reforms by advancing contract transparency towards strengthening the country's open governance agenda.

Similarly, the Electoral Act, 2022, sought to enhance political finance accountability by empowering the Independent National Electoral Commission (INEC) to monitor and investigate the financial records of political parties. Yet, this institutional capability is undermined by a pervasive lack of political will and allegations of corruption. The integrity of the electoral process was severely questioned during the 2023 general elections, with the EU's Election Observation Mission reporting that the process "did not ensure a well-run transparent, and inclusive democratic process."⁸³ The persistent issues of the influx of

⁸¹ N. Mustapha, 'Beneficial Ownership Disclosure under CAMA 2020: Balancing Transparency and Privacy' [2025] SSRN Electronic Journal <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5272728> accessed 2 August 2025

⁸² Civil Society Legislative Advocacy Centre and Transparency International Nigeria, 'Sustainable Development Goal 16 "Shadow" Report 2024: Nigeria's Progress Review of Targets 16.4, 16.5 And 16.10' (2024) <<https://cislac.org/wp-content/uploads/2024/09/Final-SDG-16-Shadow-Report-2024.pdf>> accessed 11 November 2025.

⁸³ European Union Election Observation Mission NIGERIA 2023 Final Report, 'European Union Election Observation Mission NIGERIA 2023 General Elections' (2023).

unrecorded money and widespread vote-buying suggest that the core barriers to achieving electoral transparency are systemic, revolving around inadequate institutional capacity and feeble enforcement.⁸⁴

In summary, while Nigeria continues to furnish itself with sophisticated anti-corruption and transparency laws, the main impediment to realizing the goals of SDG 16 lies in the systemic issues of enforcement, institutional independence, and the capacity to translate legal frameworks into tangible, trust-restoring outcomes. The current environment necessitates a re-evaluation of national goals and an alteration of the existing system to one that is more widely accepted for meaningful development.

5.0 Conclusion and Recommendations

The journey toward achieving Sustainable Development Goal (SDG) 16 in Nigeria reveals a striking contrast between progressive legislation and weak enforcement. This paper finds that while Nigeria has developed an extensive legal and institutional framework, exemplified by the EFCC, ICPC, the Money Laundering (Prevention and Prohibition) Act 2022, and the Beneficial Ownership provisions under CAMA 2020, persistent implementation gaps, limited institutional capacity, and declining public trust continue to undermine their effectiveness. The challenge, therefore, lies not in the absence of legal instruments but in their consistent and impartial application.

To bridge the gap between aspiration and reality, Nigeria must strengthen the autonomy and operational capacity of key accountability institutions. Agencies such as the EFCC, ICPC, and INEC should be insulated from political interference, adequately funded, and professionally managed to deliver their mandates without fear or favour. The government should also accelerate the digital transformation of governance, especially by integrating and expanding access to the Beneficial Ownership Register as a tool for financial intelligence and law enforcement.

Equally critical is the need for ethical leadership at all levels of governance. The anti-corruption campaign must begin with those in

<<https://www.eeas.europa.eu/sites/default/files/documents/2023/EU%20EOM%20NGA%202023%20FR.pdf>> accessed 11 November 2025

⁸⁴ *ibid.*

authority, as credibility is eroded when leaders publicly denounce corruption yet privately engage in unethical practices. Disciplinary measures should be swift, transparent, and uniformly applied across all sectors to restore public confidence and serve as a genuine deterrent.

Finally, achieving SDG 16 demands a whole-of-society approach. Civil society, the media, and the citizenry must be empowered to hold leaders accountable through access to information and active participation in governance. Transparency and accountability should evolve from legal ideals into shared social values, driving civic action and public oversight. Only through such collective commitment, anchored in institutional integrity, digital transparency, and citizen engagement, can Nigeria realise the promise of peaceful, just, and inclusive institutions envisioned under SDG 16.