



ANTI-CORRUPTION ACADEMY OF NIGERIA
Independent Corrupt Practices and Other Related
Offences Commission

NIGERIA CORRUPTION INDEX
Report of a Pilot Survey



2020



A publication of the Anti-Corruption Academy of Nigeria, the Research and Training Arm of the Independent Corrupt Practices and Other Related Offences Commission, ICPC.

© 2020 Anti-Corruption Academy of Nigeria/Independent Corrupt Practices and Other Related Offences Commission, Abuja, Nigeria

ISSN: 2736-0776

The Anti-Corruption Academy of Nigeria asserts the right to the production and ownership of the contents of this Report.

All rights reserved. No part of this publication may be reproduced in any form, stored in a retrieval system, without the written permission of the copyright owners

Correspondence

The Chairman

Independent Corrupt Practices and Other Related Offences Commission

Plot 802, Zone A9, Constitution Avenue

Central Business District

P.M.B. 535, Garki GPO

Abuja, Nigeria

Email: info@icpc.gov.ng

Website: www.icpc.gov.ng

The Provost

Anti-Corruption Academy of Nigeria

Kilometre 46, Abuja-Keffi Expressway

Keffi, Nasarawa State

Nigeria.

Email: info@icpcacademy.gov.ng; provost@icpcacademy.gov.ng;

acan.icpc@outlook.com

Website: www.icpcacademy.gov.ng

Nigeria Corruption Index Team

Chairman, ICPC

Professor Bolaji Owasanoye

Project Idea/Director

Professor Sola Akinrinade

Research Coordination and Report Preparation

Dr. Elijah Oluwatoyin Okebukola

Survey Tools Preparation

Professor Sola Akinrinade; Dr. Elijah Oluwatoyin Okebukola; Dr Adebunsi Adeniran

Survey Implementation, Field Work, Supervision

Supervisors: Richard Bello, Mark Faison, Abdul Ahmed

Researchers: Sampson Iroka, Mutiat Lasisi, Anike Adeshina, Yetunde Mosunmola, Nofiu Olufemi, Samuel Ishaya, Akindele Ogunleye, Akpan Nsuhoridem, Abubakar Baba Abu, Yahaya Maikasuwa, Japhet Nesai, Olabisi Olatunbosun

Statistical Analysis: Igbadoo Phineas Atsuku

Technical Advisory Team

Mr Soji Apampa (Convention on Business Integrity), Professor Etanibi Alemika (PACAC/University of Jos), Professor Isaac Nnamdi Obasi (University of Abuja), Professor Sam O. Smah (National Open University of Nigeria), Mr. Adeyemi Adeniran (National Bureau of Statistics), Ms. Lilian Ekeanyanwu (Head, Technical Unit on Governance and Anti-Corruption Reforms, TUGAR)

Acknowledgements

The Anti-Corruption Academy of Nigeria and the Nigeria Corruption Index Team wish to acknowledge the support of the Board of the Independent Corrupt Practices and Other Related Offences Commission, ICPC, towards the successful completion of this Pilot Survey.

We like to appreciate the participants at the **Stakeholder Meeting on Nigeria Corruption Index** of August 2019; and participants at the UNODC's Focus Group Meeting on Corruption Survey Report in Nigeria of January 2020 where the NCI Concept was presented by the Academy. Participants at the two meetings made valuable inputs into the project concept and design which influenced the outcome significantly. We thank Mr. Oliver Stolpes for the opportunity of engagement with the UNODC-led Meeting.

We thank the members of the Technical Advisory Team for the many hours of deliberation and critical inputs into the research development, implementation and reporting. We thank the Statistician-General of the Federation, National Bureau of Statistics, for releasing Mr. Adeyemi Adeniran, to serve on the Technical Advisory Team.

We are grateful to the research team from within and outside the Academy for the commitment to conducting this Survey despite the challenges posed by COVID-19 restrictions. We thank the survey respondents for sharing their experiences with us.

We thank the Department for International Development (DFID), for support for the engagement of the Research Coordinator and the Assistant Coordinator during a large part of the period the research was conducted.

Funding for this project was wholly provided by the Independent Corrupt Practices and Other Related Offences Commission. The Anti-Corruption Academy of Nigeria is grateful to the Commission for prioritizing the funding of the Academy's projects.

Finally, we are very grateful to the Hon. Chairman, ICPC, Professor Bolaji Owasanoye, whose infectious commitment has ensured the completion of this project and production of this Report.

Preface

The Anti-Corruption Academy of Nigeria (ACAN), is the research and training arm of the Independent Corrupt Practices and other Related Offences Commission (ICPC). ACAN supports the anti-corruption mandate of the ICPC by collecting data and providing knowledge that can be applied in prevention of corruption. In addition to supporting corruption prevention, research conducted by ACAN also helps in providing a knowledge base for implementing and monitoring anti-corruption enforcement interventions. The knowledge, data and information generated by ACAN's research activities are frequently shared with other stakeholders in the anti-corruption community. The research outputs are also applied in designing and implementing ACAN's anti-corruption training programmes.

The research for the Nigeria Corruption Index (NCI) is driven by the idea that while there are forms of corruption that cross across sectors, some corrupt practices are sector specific. Although, broad solutions are applicable in general anti-corruption matters, sector specific interventions are needed to effectively combat corruption. Focusing on grand corruption, the NCI research identifies specific corrupt practices in various sectors and the extent to which those practices contribute to the overall levels of corruption in the country. The ultimate aim of the project is to provide the basis for practicable solutions in terms of anti-corruption policy making and implementation.

While the Anti-Corruption Academy of Nigeria and the ICPC are the primary stakeholders driving the NCI process, the ownership is broader than the Commission given the importance of the process to the war against corruption in the country. It is expected that subsequent editions of the Survey will incorporate more stakeholders across various segments of the anti-corruption war in the country.

Professor Sola Akinrinade, FNAL
Provost, Anti-Corruption Academy of Nigeria
September 2020

Foreword

The Independent Corrupt Practices and other Related Offences Commission (ICPC) is committed to stopping corruption in Nigeria using all lawful means and capabilities, including the deployment of knowledge and data for effective anti-corruption action. It is in this light that the ICPC has commenced this research into grand corruption in Nigeria. The survey for the Nigeria Corruption Index (NCI), is designed to generate data to help combat grand corruption in the country.

Grand corruption involves corrupt practices concerning vast quantities of assets, huge sums of money and central functions of government. The perpetrators of grand corruption are usually very shrewd and rely on very complicated networks of accomplices. To combat corruption of this nature, anti-corruption interventions must be well-planned, well-timed and executed with precision.

The NCI survey will collect data on the types and levels of corruption in various sectors of the country. The analysis of the data will help to x-ray corruption in each sector and serve as the basis for more methodical approaches to the fight against corruption in Nigeria.

The report of the Pilot NCI Survey indicates that both the public and private sectors are complicit in the high corruption levels in Nigeria. The survey also identifies the specific practices that are contributing to the corruption levels. This is the sort of information that stakeholders require to plan and evaluate their anti-corruption work. The NCI survey will be periodic and will therefore help in the evaluation of existing and future anti-corruption action.

It must be said that all forms of corruption are bad. So, the present focus of the NCI does not mean, nor is it intended to suggest, that retail corruption is less heinous than grand corruption. The ICPC will continue to deploy its resources towards preventing and combatting all forms of corruption.

Professor Bolaji Owasanoye
Hon. Chairman, ICPC
September 2020

Table of Contents

Preface.....	i
Foreword	ii
List of Figures.....	v
List of Tables.....	vii
Executive Summary	1
Cross-Sectoral Levels of Corruption	1
Some Key Findings	3
Introduction.....	6
Need for the Nigeria Corruption Index (NCI).....	6
The NCI’s Focus on Corruption in High Places	9
What the NCI will Achieve.....	10
Quality Assurance.....	11
About the Respondents.....	12
Grand Corruption in the Justice Sector of Governance	17
Impediments to the Independence of the Judiciary.....	17
Corrupt and Allied Practices Eroding the Independence of the Judiciary	20
Non-monetary perversion of Justice.....	22
Bribe for Judgement	23
Fraudulent Alteration of Court Documents	27
Grand Corruption in the Legislative Functions of Governance	28
Abuse of Legislative Oversight Function.....	28
Abuse of Legislative Office through Project Inspections.....	31
Grand Corruption in the Executive Arm of Governance.....	34
Receiving Gifts from Contractors in Appreciation of Official Work.....	34
Political Interference in the Award of Contracts	38
Private Businesses Paying Money Meant for the Government into Private Bank Accounts	39
Employment into MDAs on the Strength of Political Connections.....	41
Exploitation of Goods or Service Providers through Project Inspections.....	42
Money Spent by Companies on MDAs Project Inspections	42
Corrupt Conferment of Undue Advantage.....	45
Corrupt Issuance of Licences and Permits	45
Grand Corruption in the Private Business Sector	46
Factors that most negatively affect business profits.....	46
Fraudulent Sub-contracting	47
Fraudulent Change of Payment Purpose	47
Corrupt Failure to Perform Public Contracts.....	49

Building Corrupt Payments into Invoices.....	49
Gifts to MDA Officials in the Guise of Corporate Social Responsibility (CSR).....	50
Nigeria Corruption Index	52
Conclusion and Recommendations.....	56
Policy and Allied Recommendations	56
Technical Recommendations to the NCI Research Team towards the full Survey.....	57
ANNEX 1 – Survey Methodology	58
Research Design	58
Sampling Method	59
Sample Size.....	60
Cluster Weight and Sampling Weight.....	61
Annex 2: Indexing Methodology.....	62
Data collection	62
Aggregating scores and conversion to percentages.....	67
Summary of the Indexing Methodology	72

List of Figures

Figure 1: Opinion of Respondents on Relationship Between Independence of Judiciary and Fight Against Corruption

Figure 2: Sex of Respondents in Relation to Opinion that Independence of Judiciary is Necessary for the Fight Against Corruption

Figure 3: Level of Education of Respondents in Relation to Opinion that Independence of Judiciary is Necessary for the Fight Against Corruption

Figure 4: Respondents' Years of Experience in Relation to Opinion that Independence of Judiciary is Necessary for the Fight Against Corruption

Figure 5: Impediments to the Independence of the Judiciary

Figure 6: Persons and Authorities that Disobey Court Orders

Figure 7: Most Prevalent Means of Non-Monetary Perversion of Justice

Figure 8: Most Responsible for Bribe for Judgment Scenarios

Figure 9: Bribe was Outrightly Offered, Demanded or Paid

Figure 10: Corrupt Alteration of Court Documents

Figure 11: Legislative Oversight Visits Facilitated by MDAs

Figure 12: Legislative Oversight Visit Facilitated by MDAs in the Last three Years

Figure 13: Years of Service of Public Officials in Relation to Experience of MDAs Facilitating Legislative Oversight Visits

Figure 14: Modalities of Facilitating Legislative Oversight Visits to MDAs

Figure 15: Public Project Executed by Private Companies Inspected by Legislators

Figure 16: Private Company Facilitated Visit of Legislators to Inspect Project

Figure 17: Duration of Doing Business in Relation to Project Inspection by Legislators

Figure 18: Gifts in Appreciation of Official Contract-Related Work

Figure 19: Role/Position of Public Officials whose Offices Received Gifts from Appreciative Contractors

Figure 20: Public Officials' Experience of Contract Awarded on the Basis of Political Connection

Figure 21: Experience of Private Sector Respondents on Contracts Awarded on the Basis of Political Connection

Figure 22: Private Businesses Making Paying Money meant for Government into Private Bank Accounts

Figure 23: Types of Companies in Relation to Payment of Money Meant for Governmental Accounts into Private Bank Accounts

Figure 24: Politically Influenced Employment

Figure 25: Private Business Facilitating Project Inspection by MDAs

Figure 26: Use of Inferior Materials to Maximise Profit

Figure 27: Conferment of Undue Advantage in the Contracting Process

Figure 28: Corrupt Issuance of Licences and Permits

Figure 29: Factors that Most Negatively Affect Business Profits

Figure 30: Illegitimate Sub-contracting to Unqualified Company

Figure 31: Diversion of Contract Funds to Personal Use

Figure 32: Receive Payments but Fail to Deliver Public Contracts

Figure 33: Fraudulent Alteration of Duration of Public Contracts

Figure 34: Corrupt Invoicing

Figure 35: Gifts to Public Officials Disguised under Corporate Social Responsibility (CSR) Schemes

Figure 36: Legislative Sector Monetary Corruption Score

Figure 37: Legislative Sector Non-Monetary Corruption Score

Figure 38: Legislative Sector Overall Corruption Score

Figure 39: Executive Sector Monetary Corruption Score

Figure 40: Executive Sector Non-Monetary Corruption Score

Figure 41: Executive Sector Overall Corruption

Figure 42: Private Business Sector Monetary Corruption Score

Figure 43: Private Business Sector Non-Monetary Corruption Score

Figure 44: Private Business Sector Overall Corruption Score

Figure 45: Justice Sector Monetary Corruption Score

Figure 46: Justice Sector Non-Monetary Corruption Score

Figure 47: Justice Sector Overall Corruption Score

Figure 48: All Sectors Monetary Corruption Score

Figure 49: All Sectors Non-Monetary Corruption Score

Figure 50: Nigeria Corruption Index

Figure A: Box and Whisker of Monetary Variables

Figure B: Box and Whisker of Non-Monetary Variables

List of Tables

Table 1: NCI Survey Respondents

Table 2: Respondents' Profile

Table 3: Monetary Bribe Reported by Justice Sector Respondents

Table 4: Money Spent by MDAs for Facilitating Legislative Oversight Visits

Table 5: Private Business that Facilitated Legislative Project Visit

Table 6: Money Received by MDA Offices as Gifts for Contract-Related Work

Table 7: Paying Money Due to Government into Private Bank Accounts

Table 8: Private Business Sponsoring MDAs Projects Inspection

Table 9: Wrongful Gifts to Public Officials Under Corporate Social Responsibility Schemes

Table 10: Sectoral Corruption Scores and Nigeria Corruption Index

Table i: Cochran (1977) Sample Size for Infinite Population

Table A: Ascription of Monetary Values to Sectors

Table B: Ascription of Non-Monetary Variables and Score Per Sector

Table C: Calculation of Monetary Score Per Sector

Table D: Calculation of Non-Monetary Score Per Sector

Table E: Sectors' Overall Corruption Score

Table F: Overall Monetary and Non-Monetary Corruption Score/ Nigeria Corruption Index

Executive Summary

Cross-Sectoral Levels of Corruption

This Pilot of the Nigeria Corruption Index (NCI) survey serves as preparatory work for a more extensive forthcoming exercise. While observing that all forms of corruption are bad, the NCI will focus on corruption in high places where large sums of money, vast quantities of assets, and the central functions of government are involved. The Pilot broadly covers the executive, legislative, justice and private business sectors. The full survey will expand into more areas within the broad sectors surveyed for the Pilot. The areas will cut across national and subnational levels.

The findings from this Pilot survey underscore the point that, although a lot of effort has been put into stopping corruption in Nigeria, a lot of



work still has to be done. Data from the survey was applied in measuring the levels of corruption in the executive, legislative, justice and private business sectors. The measurement was on a scale of 0 to 100, with 0 representing “Absolutely not Corrupt” and 100 indicating “Absolutely Corrupt”. Based on the levels of corruption in the four sectors surveyed, the overall national score was 48. This indicates that the national level of corruption is high and all the sectors, including the private sector are contributing to the high level of national corruption. The NCI survey collected data on corrupt practices that were categorised into monetary and non-monetary. The monetary category related to variables that required reporting the approximate amount of money involved, while the non-monetary did not require such reports.

The justice sector, with a score of 33, had a lower level of non-monetary corruption than the executive and legislative sectors.

However, all the other sectors had lower levels of monetary corruption than the justice sector which had a score of 93 in monetary



corruption. Overall, the justice sector had the highest level of corruption with a score of 63. The level of corruption in the justice sector was heightened by stupendously high amounts of money offered as bribes to judges by lawyers handling high electoral and other political cases.

The private business sector ranked next to the justice sector in corruption levels. Although, this sector had a score of 33 in monetary corruption, it had a score of 55 in non-monetary corruption. Corrupt practices in the private business sector contributed greatly to the national level of corruption. This sector had an overall corruption score of 44. The high level of corruption in the private business sector can be easily overlooked while concentrating on corrupt practices in governmental spaces. The high corruption score of the private business sector serves as a reminder of the need to stop corruption in both private and public spaces. Many of the corrupt practices found in the private business sector involve collaboration or joint participation with government officials. It is however not all corrupt practices in the private business sector that involve public servants.



The executive and legislative sectors had overall corruption scores of 42 and 41 respectively. In monetary corruption, the executive sector with a score of 33 had a higher level of corruption than the legislative sector which had a score of 27. However, in non-monetary corruption, the legislative sector with a score of 55 surpassed the executive which had a score of 51. Some of the corrupt practices found in these two sectors involved the joint involvement of parties from both sectors. In arriving at these scores, specific corrupt practices were identified and the extent to which they occurred was quantified. The scores in the NCI are not there for soring's sake. They indicate findings from which general and specific recommendations can be made for stakeholders. The recommendations are based on empirically grounded insight into corruption and its drivers.



Some Key Findings

High Level Corruption Requires Joint Public Private Perpetration

Many corrupt practices that involve vast quantities of assets or large sums of money cannot occur without the joint perpetration of public sector officials and people in the private sector. This joint 'Public Private Perpetration' is not only required for the occurrence of these corrupt practices, but also helps to shield, disguise and transfigure the proceeds of corruption.

For instance, private businesses obtain public contracts and divert the contract payments to personal use without performing the contracts. If public procurement laws and procedures are correctly applied, full payments for contracts would be conditional upon duly certified completion of the contracts. So, for a company to fail to perform a contract and divert payments to personal use, requires the full cooperation of public officials including those responsible for project inspections.

Private business that experienced diversion of public contract funds to personal use **55.20%**

Private business that reported facilitating project inspections conducted by MDA officials **50%**

Just a Few Incidents Can Devastate a Whole Sector

The magnitude of assets and the volume of money involved in grand corruption are such that just a few incidents can have disastrous consequences for the whole sector. The sectoral impact of these incidents of corruption will have both direct and ripple effects on the whole country. For instance, 9.9% of lawyers reported the experience of paying a bribe in connection to cases, mostly electoral matters, they were handling. However, the total amount reported by this relatively small group of lawyers amounted to **₦5,733,986,000.00** (Five Billion, Seven Hundred and Thirty-Three Million, Nine Hundred and Eighty-Six Thousand Naira).

Percentage of lawyers that had experienced bribe payment **9.9%**

Amount of bribe reported by **9.9%** of lawyers **₦5,733,986,000.00**

Another area of note is the handling of money meant to be paid into governmental accounts for permits, licences, fees, etc. 8% of private businesses reported paying these moneys into private accounts instead of governmental accounts. Out of this 8% only 2 companies reported an estimated amount of money paid into private accounts in the past three years. One of the two reported paying an amount that does not meet the threshold of grand corruption, but the second company reported paying **₦500,000,000.00** (Five Hundred Million Naira) of money due to the government into private accounts.

Percentage of businesses that reported paying governmental dues into private accounts **8%**

Amount of moneys due to government. reported by only one company, as paid into private accounts **₦500,000,000.00**

Lack of Transparency Enables Corruption

The link between absence of transparency and corruption is illustrated by the sponsorship of legislative oversight visits by MDAs. Legislators conduct oversight visits of MDAs. Some MDAs facilitate these visits by providing transportation, accommodation, and outright cash payments. The sponsorship of oversight visits by the inspected MDAs has been said to be unavoidable because of the number of MDAs and the absence of provisions for such visits in the legislative budget. Any merit in this position is whittled down by the absence of public availability of the details of the legislative budget. So, it is possible that legislators whose oversight visits are sponsored by MDAs could also be receiving payment for the same purpose from the legislative arm of government.

Percentage of MDA personnel that have experienced MDA-facilitated legislative oversight visits **22%**

Number of MDAs with provisions for legislative oversight visits in the 2019 Budget **0**

Amount provided for oversight visits in the legislative budget **Unknown**

In another vein, MDAs sometimes have budgetary provisions that allow them to sponsor programmes or events. Sponsorship sometimes includes responsibility for the transportation, accommodation, and daily sustenance of participants. In this context, a legislator participating in such MDA-sponsored programme may, in appropriate circumstances, be eligible for sponsorship by the MDA. Sponsorship of participants to a programme or event is, however, distinguishable from legislative oversight visits. There is an obvious conflict of interests where an MDA pays legislators to perform their oversight functions relating to the MDA.

Many Serious Incidents of Grand Corruption are neither Discovered nor Reported

Discovered or reported cases of corruption do not reflect the full picture of grand corruption in the country. The reasons for this include the instinct to preserve personal, communal and other relationships between the perpetrators and the people who are in the best position to report the incident in issue. For instance, out of the 124 judges interviewed for the Pilot survey, 11 responded that they had been offered bribes to influence their handling of a case. Bribe offered to judges are sometimes done through spouses, parents, religious or traditional leaders, former or serving colleagues. The people offering the bribes thereby use the intermediary to insulate themselves from the backlash of their corrupt practice. While the judge may refuse the bribe without hesitation, there may be more than a little reluctance to report the incident because of the role played by the intermediary.

Percentage of judges that were offered bribes **8.9%**

Total amount offered to the judges **₦3,699,664,000.00**

Another reason for not discovering or reporting cases is traceable to the protection of the benefits that joint

Percentage of private businesses that had experienced inflation of invoices to accommodate corrupt payments **63%**

perpetrators acquire. Sometimes those that should collectively or individually report corrupt practices are the ones that strive to preserve the practices. This may appear counter intuitive, but it happens. Private businesses have a real existential interest in

ensuring that the country is free of corruption. However, rather than report incidents, private businesses count corrupt payments as part of the cost of delivery. So, they just factor in the amounts to be paid as kickbacks, bribes etc when generating their invoices.

Corrupt Practices can be Hidden within Legitimate Practices

A practice that is commendable and encouraged can be the cover for engaging in corruption. An example

Percentage of private businesses that gave gifts to public officials under Corporate Social Responsibility Schemes **24%**

is the ordinarily laudable idea of Corporate Social Responsibility (CSR) that allows corporate entities to give back to society through philanthropy. Among other things, in the public sector, CSR gifts can only be donated to the MDA as an organisation and not personally to individuals within the MDA. However, in order to disguise unlawful gifts to public officials, private businesses label and record such gifts under their CSR schemes.

Individuals Seeking to Avoid Sanctions can Centralise their Corrupt Practices

People seeking to avoid easy individual identification and responsibility can adopt the idea of 'safety in numbers'.

Percentage of MDA staff whose offices had received gifts in appreciation of work done **12%**

For example, it is unlawful for a public official to collect gifts from contractors in respect of work done by the public official. No matter how much the contractor appreciates the handwork and effectiveness of the public official, the law prohibits the official from receiving gifts in respect of work done. So, to avoid being accused of the corruption, private businesses give monetary gifts to the office that handled the contact instead of the individual official. The officials in the office would then derive their own formula for sharing the gift among themselves.

Introduction

Need for the Nigeria Corruption Index (NCI)

In 2018, the Anti-Corruption Academy of Nigeria (ACAN) included the Nigeria Corruption Index (NCI) Survey in its strategic plan 2019-2023.¹ The ACAN Strategic Plan designed the NCI Survey to be a periodic measurement of grand corruption in Nigeria.² In 2019, the Board of the Independent Corrupt Practices and other Offences Commission (ICPC) considered and approved the inclusion of the NCI Survey in the workplan of events to commemorate the twentieth year of ICPC's existence. In addition, the ICPC prioritised the NCI as a project to be implemented on a periodic basis.

In conceptualising the NCI Survey, it was noted that, while perception-based studies are good for advocacy, they are not very effective in providing actionable information for people or institutions who will make or implement anti-corruption policies in Nigeria.³ The NCI Survey was therefore conceived as an experience-based survey. It was noted that although it is difficult, it is not impossible to conduct an experience-based survey of grand corruption in Nigeria. With the intention that the NCI Survey will provide a more detailed picture of grand corruption in Nigeria, the concept of the NCI further required the use of data sources, issues and subjects that are specific to Nigeria.

Given that there are existing cross-country surveys that cover corruption in Nigeria, the question arises as to the need for a major survey such as the NCI. As discussed in the next paragraphs, in general terms, the NCI complements existing surveys by providing Nigeria-specific and Nigeria-relevant data for policy making, implementation and evaluation. The NCI is designed to avoid the problems associated with the existing cross-country. Some these problems, highlighted below, include: the focus on perception rather than experience or knowledge; weak or no relation between country-level perception and particular sectors in the country; absence of specificity; focus on petty corruption; seeming inapplicability and worthlessness to sub-national entities; limited definition of forms of corruption.

Some of the more prominent existing surveys with data on Nigeria include the Corruption Perceptions Index (CPI),⁴ and World Governance Indicator, Control of Corruption (WGI CC).⁵ In the context of Nigeria's anti-corruption needs, these surveys have the

¹ The Anti-Corruption Academy of Nigeria (ACAN) is the research and training arm of the Independent Corrupt Practices and other related offences Commission (ICPC).

² Anti-Corruption Academy of Nigeria Strategic Plan 2019-2023.

³ Professor Sola Akinrinade, Remarks at the ACAN Strategic Plan and Programmes Planning Retreat held at ICPC Headquarters Abuja, October 2018.

⁴ See Michaela Saisana and Andrea Saltelli, *Corruption Perceptions Index 2012 Statistical Assessment* (Luxembourg: Publications Office of the European Union, 2012). for an overview of the sources and methodology of Transparency International's Corruption Perception Index (CPI).

⁵ See Alexander Hamilton and Craig Hammer, *Can We Measure the Power of the Grabbing Hand? A Comparative Analysis of Different Indicators of Corruption*, Working Paper 8299 (World Bank, 2018). for a comparative analysis of the Corruption Perception Index (CPI) and the World Governance Indicator, Control of Corruption.

methodological setback of focusing on perception rather than experience or knowledge.⁶ While pointing out that these perception measures are not adequate for anti-corruption policy making in Nigeria, it is important to underscore that they may be useful in suggesting correlations between corruption and issues such as good governance,⁷ economic development,⁸ infrastructural development,⁹ and many others.

While these perception surveys may be useful in suggesting correlations, there are problems with using general perceptions measures for analysing corruption.¹⁰ The primary problem with perception-based corruption indices is that they are prone to biases that are so profound as to dissociate them from actual experience. Thus, the perceptions may be disconnected from reality. These biases that disconnect perception from reality may be triggered by issues of religion, education, age, income, employment status, and political affiliation, that are unrelated to corruption.¹¹

In addition to the danger of misinformation that may stem from the schism between perception and actual experience, these country-level perception surveys sometimes have very weak or no relation to levels of corruption in particular sectors in the country.¹² For instance, the CPI 2019 “ranks 180 countries and territories by their perceived levels of public sector corruption, according to experts and business people.”¹³ The CPI scores countries on a scale of 0 to 100; 0 is very clean and 100 is highly corrupt. In 2019, Nigeria had an index score of 26, and was ranked 146 out of 198 countries surveyed. The scoring and ranking is good for publicity, but does not provide any meaning for the score and rank in terms of the various sectors in Nigeria.¹⁴ The score of 26 does not explain the types, scope and extent of corruption in sectors and subnational entities.¹⁵

⁶ See Anja Rohwer, *Measuring Corruption: A Comparison Between The Transparency International's Corruption Perceptions Index And The World Bank's Worldwide Governance Indicators*, vol. 3 (Institute for Economic Research, University of Munich., 2009) for a comparison of the CPI and the WGI.

⁷ Kaufmann, D., A. Kraay and M. Mastruzzi, *Governance Matters V: Aggregate and Individual Governance Indicators for 1996-2005*. World Bank Policy Research Working Paper No. 4280, The World Bank, Washington D.C.

⁸ Paolo Mauro, “Corruption and Growth,” *The Quarterly Journal of Economics* 110, no. 3 (1995): 681–712, <https://doi.org/10.2307/2946696>.

⁹ Tanzi, V. and H. Davoodi. *Corruption, public investment and growth*. IMF Working Paper, WP/97/139, International Monetary Fund. Washington DC, 1997.

¹⁰ Charles Kenny and Tina Søreide, *Grand Corruption in Utilities* (World Bank, 2008) p 5.

¹¹ Dilyan Donchev and Gergely Ujhelyi, “What Do Corruption Indices Measure?,” *Economics & Politics* 36, no. 2 (2014).

¹² L. Langbein and S. Knack, “The Worldwide Governance Indicators and Tautology: Causally Related Separable Concepts, Indicators of a Common Cause, or Both?,” *Public Choice: Analysis of Collective Decision-Making EJournal*, 2008.

¹³ Transparency International, “Corruption Perceptions Index 2019,” accessed September 7, 2020, <https://www.transparency.org/en/cpi/2019>.

¹⁴ See generally, Tina Søreide, *Is It Wrong to Rank? A Critical Assessment of Corruption Indices*, Working Paper 2006:1 (Bergen: Chr. Michelsen Institute, 2006).

¹⁵ Dan Hough, “The Corruption Perceptions Index (CPI): Much Ado about Nothing?,” *Centre for the Study of Corruption, University of Sussex* (blog), accessed September 7, 2020, <https://scscsussex.wordpress.com/2017/01/25/the-corruption-perceptions-index-cpi-much-ado-about-nothing/>.

The scoring approach of the WGI CC is different from the CPI. The WGI CC applies a standard normal distribution ranging from -2.5 to 2.5.¹⁶ The “Worldwide Governance Indicators (WGI) project reports aggregate and individual governance indicators for over 200 countries and territories.”¹⁷ The indicators cover six dimensions of governance including control of corruption.¹⁸ In 2017, Nigeria indicator for control of corruption was -1.068.¹⁹ The same problems of sectoral and subnational inapplicability that attach to Nigeria’s CPI score are equally attributable to the CC indicator score.

Even in the event that the country-level score accurately reflects the situation in sectoral and subnational spaces, the absence of specificity in composite perception-based indices does not allow for precision in policy making and implementation geared at addressing corruption.²⁰ In dealing with causes and consequences of corruption, broad-stroke measurements are not as helpful as direct questions that will generate data on specific variables.²¹

The surveys are further limited by the concept that corruption “occurs basically in four main forms: bribery, embezzlement, fraud and extortion.”²² This assumption overlooks forms of corruption such as state capture, that may not involve direct rule-breaking. It also overlooks forms of corruption that arise from violation of codes of behaviour such as the Code of Conduct for Public Officers contained in the Constitution of the Federal Republic of Nigeria 1999.

The flaws in country-level perception-based measures are substantially addressed in surveys, such as the Global Corruption Barometer (GCB), that combine both perception and experiential approaches.²³ Global Corruption Barometer (GCB) obtains data from the general public on their experience of bribe payment and perceptions of corruption. The GCB provides information on petty bribery, opinion of sectors/institutions considered most affected by corruption, attitudes towards the government’s effectiveness in fighting corruption, attitudes towards reporting corruption, and attitudes on what sort of behaviour constitutes corruption.²⁴ In 2019, the GCB reports that 43% of Nigerians believed that incidents of corruption had increased in the preceding 12 months while

¹⁶ Pedro de Barros Leal Pinheiro Marino et al., “Global Governance Indicators: How They Relate to the Socioeconomic Indicators of the Brics Countries,” *Rev. Adm. Pública* 50, 5 (2016) 721–43 at 738

¹⁷ World Bank, “Worldwide Governance Indicators,” accessed September 7, 2020, <https://info.worldbank.org/governance/wgi/>.

¹⁸ Other dimensions are Voice and Accountability, Political Stability, Absence of Violence, Government Effectiveness, Regulatory Quality, and Rule of Law.

¹⁹ World Bank, “Worldwide Governance Indicators.”

²⁰ See for example Claudio Weber Abramo, “How Much Do Perceptions of Corruption Really Tell Us?,” *Economics* 2, 3 (2008).

²¹ Lindsay Richards, “Using Survey Methods to Research Corruption,” in *How to Research Corruption?*, Anna K. Schwickerath, Aiysha Varraich, Laura-Lee Smith eds (INTERDISCIPLINARY CORRUPTION RESEARCH NETWORK, 2016) p. 9.

²² Anja Rohwer, *Measuring Corruption: A Comparison Between The Transparency International’s Corruption Perceptions Index And The World Bank’s Worldwide Governance Indicators* p. 42.

²³ See Stephanie E. Trapnell, *User’s Guide to Measuring Corruption and Anti-Corruption* (New York: UNDP, 2015). p 24. for a table indicating what is measured by a number of prominent surveys.

²⁴ Jesper Johnsen and Deborah Haridon, *Why, When and How to Use the Global Corruption Barometer*, U4 Brief (Bergen: Chr. Michelsen Institute, 2012).

44% reported that they had paid a bribe.²⁵ The perception questions related to the Police, government officials and members of parliament.

Although the GCB provides some cross-sectoral information, its focus on petty corruption means that it does not tell the full story of the sector it surveys or the country at large. Apart from those that only relate to perception, virtually all the above shortcomings of the CPI relate to the CGB.

Many of the inadequacies of the GCB, CPI and WGI CC are cured by Nigeria's own *Bribery Survey* conducted by the National Bureau of Statistics in collaboration with the UNODC.²⁶ The Bribery Survey is a household survey that focuses on the experience of everyday people who interact with public officials. Essentially, the survey was about petty corruption, "that most affects the daily lives of ordinary citizens in Nigeria".²⁷

Laudably, the Bribery Survey provides information across sectors and subnational entities. However, it focuses on petty corruption, thereby leaving a huge data and information gap in the area of grand corruption.

The NCI's Focus on Corruption in High Places

The Focus of the NCI on high level corruption is informed by the ICPC's operational principle that all forms of corruption are bad. Regardless of whether it is described as petty or grand corruption, no form of corruption is beneficial to the country. These corrupt practices only confer ephemeral benefits on the perpetrator. The fleeting benefits are to the disadvantage of even the perpetrator in the long run because they have negative effects on the society at large. These consequences directly or indirectly cycle back to the perpetrator. In essence, High level corruption affects both the perpetrators and everyday people.

Corruption at the high levels of public and private governance is described as grand corruption in the NCI survey. The NCI survey will measure grand corruption across sectors and sub-national entities.

Conceptually, grand corruption can be contradistinguished from petty corruption.²⁸ In practice grand and petty corruption, sometimes interlink and may have very indistinct lines of separation.²⁹ In some cases, corrupt practices at this high level will lead to the distortion of processes and procedures. For example, while petty corruption may involve giving a bribe to a security guard for the purpose of sneaking in a late bid, grand corruption "may involve altering bid rules to ensure that a particular firm is selected."³⁰

²⁵ Transparency International, "Global Corruption Barometer," accessed September 7, 2020, <https://www.transparency.org/en/gcb/africa/africa-2019/results/nga>.

²⁶ National Bureau of Statistics and UNODC, "Corruption in Nigeria: Patterns and Trends," 2019, <https://nigerianstat.gov.ng/elibrary>.

²⁷ Corruption in Nigeria: Patterns and Trends, 2019 p. 13.

²⁸ Charles Kenny and Tina Søreide, *Grand Corruption in Utilities* p 5.

²⁹ Charles Kenny and Tina Søreide, p 5.

³⁰ Charles Kenny and Tina Søreide. p 5.

“Grand corruption is corruption that pervades the highest levels of a national Government, leading to a broad erosion of confidence in good governance, the rule of law and economic stability. Petty corruption can involve the exchange of very small amounts of money, the granting of minor favours by those seeking preferential treatment or the employment of friends and relatives in minor positions. The most critical difference between grand corruption and petty corruption is that the former involves the distortion or corruption of the central functions of Government, while the latter develops and exists within the context of established governance and social frameworks.”³¹

What the NCI will Achieve

In proffering solutions for preventing and stopping corruption, there is the need to create empirically grounded insight into corruption and its drivers.³² The surveys for the NCI will help generate empirical data for understanding and stopping grand corruption in Nigeria.

In its full implementation, the NCI Survey is designed to collect data that will help to determine the level of corruption in public and private sectors of the country. The data will be applied in identifying problems of corruption in sectors of the country, arms of government, as well as Ministries Departments and Agencies (MDAs) across national and subnational levels.

The data from the NCI Survey will identify the specific sectors, institutions and activities that are contributing to grand corruption in Nigeria. The data will also indicate the extent to which their activities add to corruption. The data will therefore serve as a springboard for making well-informed policy recommendations to stakeholders. In all, the NCI will not only indicate the specific corrupt practices that occur at the high levels of public and private governance but will also indicate the requisite anti-corruption interventions.

Corruption, like a disease requires appropriate diagnosis and treatment.³³ In curing the disease of corruption, questions that arise include “Which are the most effective medicines against this sickness? Are they equally effective in every situation?”³⁴ The NCI survey will help provide data and information that can be applied to determining the most efficient interventions in specific areas of grand corruption.

This NCI survey will also garner data to be applied in quantifying the extent of corruption in the sectors and subnational entities. The quantity of corruption in each sector and subnational entity will help encourage the continuation of good practices and basis for identifying areas that require improvement.

³¹ UNODC, “The United Nations Anti-Corruption Toolkit,” (UNODC, 2004), p 10.

³² Finn Heinrich and Robin Hodess, *Measuring Corruption* (Elgar, 2011).

³³ Juan D. Carrillo, “Corruption in Hierarchies,” *Annales d’Économie et de Statistique*, no. 59 (2000): 37–61, <https://doi.org/10.2307/20076241> p. 38.

³⁴ Carrillo. p 38.

Quality Assurance

One of the most important elements of the NCI Survey is the deployment of quality assurance in the research. This typically consists of “techniques, systems and resources that are deployed to give assurance about the care and control with which research has been conducted.”³⁵ Among others, quality assurance is concerned with “transparent project planning; training and competence of research staff; facilities and equipment; documentation of procedures and methods; research records; the handling of samples and materials”³⁶

The NCI Survey concept, methods and implementation plans were reviewed by a team of external technical advisers from the academia, civil society, the National Bureau for Statistics and anti-corruption agencies. The concept, methodology and plan were also presented to a larger body of academics drawn from Nigerian tertiary institutions.

Prior to the COVID-19 restrictions, it had been proposed that a team of quality assurance monitors would work on the project alongside the team of researchers and supervisors. Since it was not possible to go across the country for face-to-face interviews, computer assisted telephone interviewing (CATI) devices were procured for the survey researchers. Each CATI device was configured with its own unique telephone number registered to ACAN. The devices were configured for inputting survey responses and synchronisation to a central server.

The researchers were trained to conduct interviews using the CATI devices to make phone calls to respondents while simultaneously entering the respondents’ responses into the devices. At the end of each interview, researchers synchronised their devices with the central server, thereby uploading each interview as soon as it was completed.

Researchers were not allowed to conduct interviews using their personal telephone numbers. All interview phone calls were made with the CATI devices and the call durations were logged into the tablets.

Airtime for making calls and data subscription were directly loaded from a central account and the designated person kept a record of airtime and data used by each CATI device.

The researchers were also required to work from the same conference room(s) for the duration of data gathering exercise. Researchers followed strict protocols relating to physical distancing, use of face coverings and hand sanitising throughout the data gathering period. Supervisors were trained to attend to issues that arose during data gathering exercise.

³⁵ University of Reading, “Quality assurance in research” available at <https://www.reading.ac.uk/internal/academic-and-governance-services/quality-assurance-in-research/reas-RSgar.aspx> visited 28/08/2020

³⁶ *Ibid.*

About the Respondents

The respondents were drawn from the justice sector, private companies doing business with the government and personnel of governmental MDAs. The sampling frame was populated with groups that consisted of people with high levels of education, personal work-related interaction with high echelon officials, and important governance or management roles. The private companies in the sampling frame were those dealing with governmental contracts worth 5 Million Naira and above. More details are contained in [Annexure 1](#). These groups were targeted for the Pilot of the NCI survey on the assumption that members of the groups are likely to have experienced grand corruption in the course of their work. The first thing that came out of the pilot survey of these groups is a widespread reluctance of the members of these groups to talk about their experience of corruption.

Unwillingness to Talk

The apparent willingness of the general populace to share views and opinions on corruption does not extend to sharing experiences. Although the interviewers assured the persons contacted that the respondents would be anonymous and nothing in the survey would lead to the personal identification of any respondent,

40.30% of people contacted by telephone declined to participate in this research. The percentage of those who declined to fill the online forms cannot be established because of inability to ascertain and differentiate mails that were not delivered, those flagged as spam and those brought to the attention of the recipients after the conclusion of the survey.

As reflected in [Table 1](#), People in the private business sector and MDA officials were the most reluctant to talk about corruption over the telephone. 54.41% of those approached in the private business sector declined to share their experiences. They were closely followed by 54.35%, of those approached in the MDAs who declined to be interviewed. Those in the justice sector were the most willing to talk about their experiences of corruption.

Interestingly, as evidenced by frequent commentaries on television and newspapers, there appears to be a general favourable disposition towards sharing opinions on corruption. The readiness to freely express opinion about corruption does not extend to willingness to report experiences of grand corruption. The reluctance of the people approached to speak is to be taken into account in conducting the full survey.



THERE IS A CULTURE OF SILENCE WHICH MAKES IT
CHALLENGING TO DISCOVER INCIDENTS OF
GRAND CORRUPTION

Table 1: NCI Survey Respondents

MODE OF INTERVIEW	SECTOR	TELEPHONED	GRANTED INTERVIEW	DECLINED INTERVIEW
CAPI - TELEPHONE	Business	136 (100.00%)	62 (45.59%)	74 (54.41%)
	Justice	968 (100.00%)	694 (71.69%)	274 (28.31%)
	MDAs	690 (100.00%)	315 (45.65%)	375 (54.35%)
CAPI - TELEPHONE TOTAL		1794 (100.00%)	1071 (59.70%)	723 (40.30%)
		FORMS SENT	FORMS FILLED	DECLINED TO FILL FORM
ONLINE FORMS	Business	500	38	Unascertained
	Justice	500	207	Unascertained
	MDAs	500	84	Unascertained
ONLINE FORMS TOTAL		1500	326	Unascertained
COMBINED	Business		100	
	Justice		901	
	MDAs		399	
COMBINED TOTAL			1400	

Sex of the Respondents

The respondents across the three sectors surveyed were predominantly male. As shown in [Table 2](#) 68% of all the respondents were male, 31% were female and 1% chose to not disclose their sex. The justice sector had the highest percentage of female respondents (36%), even though the male respondents in the sector outnumbered the female. Among the MDA respondents, as shown in [Table 2](#), 24% were female and 75% male. At 14%, the private business sector had the lowest percentage of female respondents and at 85% had the highest percentage of male respondents.

Level of Education Across all Sectors

The respondents across all sectors were highly educated. The MDA respondents were the most educated as 64% had a postgraduate degree. They were followed by justice sector respondents, 50% of whom had a postgraduate degree.

Years of Experience

The respondents were generally well-experienced in their sectors. 74.70% of justice sector respondents have been working in the sector for more than 5 years. Those who had worked in the sector for more than 11 years constituted 49.20% of the justice sector respondents. Business sector respondents also had a lot of experience in the sector. 79% had worked in the sector for 6 years and above, while 49.20% had spent 11 years and above doing business in Nigeria. 94.20% of MDA respondents had worked in the public sector for 6 years and above, while 78.90% had worked in the public sector for 11 years and above.

Role of Respondents in the Various Sectors

Largely, the respondents performed very important roles in their various sectors or within their individual organisations. [Table 2](#) shows that out of the 399 MDA respondents, 251 (that is 62.90%) were senior management staff. This category of respondents included 9 permanent secretaries and 82 directors. Others who indicated that their positions were below the level of senior management included those who specified that they were “supervisor”, “senior staff”, “senior executive officer”, “senior lecturer”, “senior research officer”, “senior finance officer”; and “senior confidential secretary”. Those that chose not to say their role were 4% of the respondents.

As seen in [Table 2](#), respondents in the private business sector also held momentous roles within the sector and within their organisations. Combined, respondents who were either part of senior management or CEOs constituted 88% of the private business sector respondents. CEOs alone were 61%, while senior management staff were 27% of the respondents in this sector.

An interesting group here identified themselves in the category of “others” but indicated their official designation as “chief operating officer”, “director”, “director of finance”, “general manager”, “managing director”, and “managing partner”. These roles are ordinarily senior management roles but since the respondents chose to categorise themselves as others, it suggests that there are private sector businesses where staff have management titles but actually function below management level.

[Table 2](#) shows that the justice sector had the highest percentage of respondents who chose to not disclose their roles within the sector. In all 114 respondents, constituting 12.65% of justice sector respondents did not indicate their roles. Out of the 901 justice sector respondents, 638 (70.81%) were lawyers. 121 judges, constituting 13.76% of respondents were interviewed. 25 of the respondents, that is 2.77% were court staff. This category includes staff in the registry and chambers of the courts.

Table 2: Respondents' Profile

		Private Business		Justice		MDAs		All Respondents	
Sex	Options	Frequencies	Percentages	Frequencies	Percentages	Frequencies	Percentages	Frequencies	Percentages
	Chose not to say	1	1.00%	8	0.89%	2	0.50%	11	0.79%
	Female	14	14.00%	327	36.29%	97	24.31%	438	31.29%
	Male	85	85.00%	566	62.82%	300	75.19%	951	67.93%
	Total	100	100.00%	901	100.00%	399	100.00%	1400	100.00%
Age	Chose not to say	1	1.00%	14	1.55%	1	0.25%	16	1.14%
	Below 25 years	1	1.00%	68	7.55%	1	0.25%	70	5.00%
	25 - 35 years	15	15.00%	316	35.07%	23	5.76%	354	25.29%
	36 - 45 years	40	40.00%	176	19.53%	106	26.57%	322	23.00%
	46 - 55 years	30	30.00%	173	19.20%	186	46.62%	389	27.79%
	56 - 65 years	12	12.00%	135	14.98%	79	19.80%	226	16.14%
	66 years and above	1	1.00%	19	2.11%	3	0.75%	23	1.64%
	Total	100	100.00%	901	100.00%	399	100.00%	1400	100.00%
Level of Education	Chose not to say	1	1.00%	8	0.89%	0	0.00%	9	0.64%
	No Formal Education	3	3.00%	1	0.11%	0	0.00%	4	0.29%
	Basic Education	1	1.00%	0	0.00%	0	0.00%	1	0.07%
	Senior Secondary	2	2.00%	0	0.00%	2	0.50%	4	0.29%
	First degree or equivalent (LL.B, BA, B.Sc., HND, etc.)	52	52.00%	442	49.06%	142	35.59%	636	45.43%
Postgraduate (Postgraduate Diploma,	41	41.00%	450	49.94%	255	63.91%	746	53.29%	

		Private Business		Justice		MDAs		All Respondents	
Sex	Options	Frequencies	Percentages	Frequencies	Percentages	Frequencies	Percentages	Frequencies	Percentages
	Masters, Doctorate etc or equivalent)								
	Total	100	100.00%	901	100.00%	399	100.00%	1400	100.00%
Roles/Positions	Chose not to say	3	3.00%	114	12.65%	16	4.01%	133	9.50%
	GEO/Owner/Equivalent.	61	61.00%	-	-	-	-	61	4.36%
	Senior Management.	27	27.00%	-	-	251	62.91%	278	19.86%
	Lawyers	-	-	638	70.81%	-	-	638	45.57%
	Judges/Magistrates	-	-	124	13.76%	-	-	124	8.86%
	Court Staff	-	-	25	2.77%	-	-	25	1.79%
	Others	9	9.00%	-	-	132	33.08%	141	10.07%
	Total	100	100.00%	901	100.00%	399	100.00%	1400	100.00%
Years of experience	Chose not to say	3	3.00%	10	1.11%	0	0.00%	13	0.93%
	Less than 5 years	18	18.00%	217	24.08%	23	5.76%	258	18.43%
	5- 10 years	31	31.00%	230	25.53%	61	15.29%	322	23.00%
	11-15 years	17	17.00%	141	15.65%	66	16.54%	224	16.00%
	16-20 years	15	15.00%	81	8.99%	75	18.80%	171	12.21%
	21-25 years	16	16.00%	49	5.44%	51	12.78%	116	8.29%
	26-30 years	-	-	54	5.99%	69	17.29%	123	8.79%
	Above 30 years	-	-	119	13.21%	54	13.53%	173	12.36%
	Total	100	100.00%	901	100.00%	399	100.00%	1400	100.00%

Grand Corruption in the Justice Sector of Governance

The National Policy on Justice (NPJ) requires the justice sector to be such that “inspires public confidence, keeps society secure and safe, and provides a conducive environment for smooth social interactions and a flourishing economy.”³⁷ This indicates that, the impact of the dispute settlement role of the justice sector has far reaching consequences on law, order, political stability and economic wellbeing of the country.

The effective resolution of disputes is important to maintain public confidence in the justice sector. As recognised by the National Policy on Justice, corruption in the justice sector can “undermine public confidence and encourage lawlessness, impunity, easy resort to self-help”.³⁸

Although, judges are the most prominent components of the justice sector, they are only a part of the amalgam of institutions, processes and actors involved in justice delivery. Other prominent actors in the justice sector include lawyers and various categories of court staff. With a view to making appropriate recommendations for anti-corruption interventions, the NCI survey collected data relating to the experience of judges, court staff and lawyers on the following matters:

- Corrupt erosion of the independence of the judiciary,
- Non-monetary perversion of justice
- Bribe for judgment
- Fraudulent alteration of court documents

The experience of justice sector respondents on grand corruption in relation to these four matters are discussed in this part of the report.

Impediments to the Independence of the Judiciary

The independence and impartiality of the judiciary is one of the fundamental guiding principles of the NPJ.³⁹ Independence of the judiciary is directly connected to the capacity to impartially perform adjudicatory functions. Where the independence of the judiciary is eroded, corruption can thrive and the ability to adjudicate corruption cases will be diminished.

In the opinion of the vast majority of justice sector respondents, an independent judiciary is necessary for fighting against corruption. [Figure 1](#) shows that the only 2% of the justice sector respondents opined that an independent judiciary is not necessary for the fight against corruption. The opinion of an overwhelming 96% of justice sector respondents points to the link between the independence of the judiciary and the fight against corruption.

³⁷ The National Policy on Justice, 2017 p 4 available at <https://justice.gov.ng/index.php/justice-sector-reform> accessed 29/08/20.

³⁸ *Ibid.* p. 2.

³⁹ *Ibid.* p. 3.

The opinion of both female and male justice sector respondents, on this issue, were substantially similar. [Figure 2](#) shows that 96.33% of female and 97.17% of male respondents expressed that in their experience, the judiciary must be independent in order to fight corruption. The respondents' level of education also did not substantially change their opinion, although it slightly appeared that the higher the level of education the less acute the experience of the connection between the independence of the judiciary and the fight against corruption. [Figure 3](#) shows that 100% of respondents with basic education, 97.06% of those with first degree and 96.67 of those with postgraduate degrees believed that there is a link between the independence of the judiciary and the fight against corruption. It however appeared that justice sector respondents with the fewest years of experience had a more acute belief in the need for an independent judiciary. [Figure 4](#) shows that respondents between 1 and 16 years were the most likely to opine that an independent judiciary is necessary in the fight against corruption. Next to this group are those who have been in the sector for 30 years and above. Those who have spent between 21 and 30 years in the sector are slightly less likely to believe in the necessity of an independent judiciary for the fight against corruption.

"It is very important in a democracy that the judges are free from external pressures in order to guarantee impartiality and fairness in the discharge of their judicial responsibility. This is necessary for ensuring that those who appear before the courts and the general public have confidence in the judicial system." *National Policy on Justice, 2017*

Figure 1: Opinion of Respondents on Relationship Between Independence of Judiciary and Fight Against Corruption

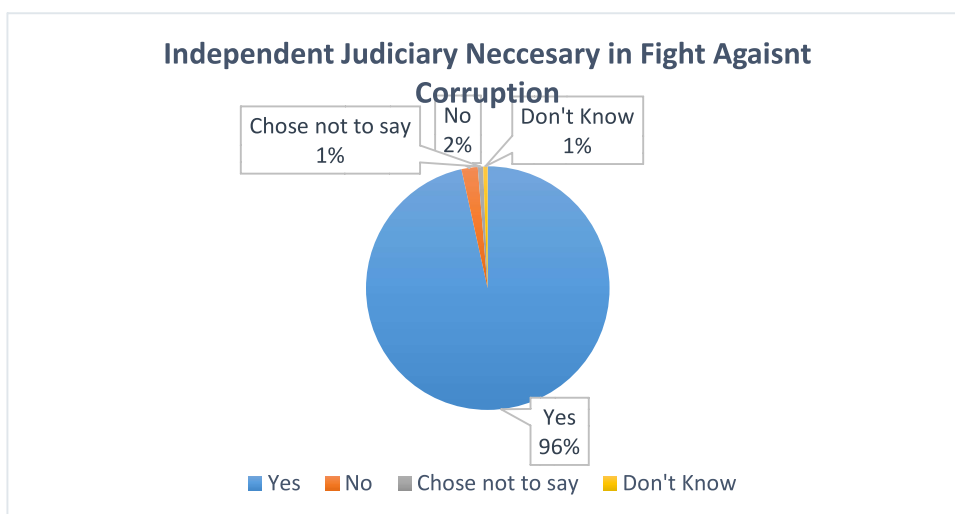


Figure 2: Sex of Respondents in Relation to Opinion that Independence of Judiciary is Necessary for the Fight Against Corruption

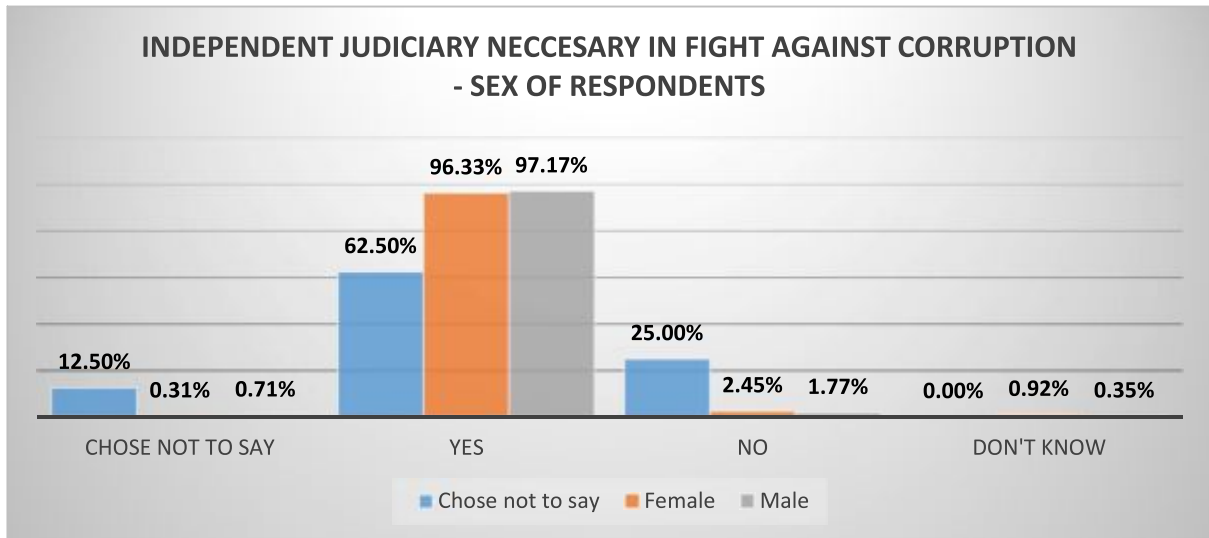


Figure 3: Level of Education of Respondents in Relation to Opinion that Independence of Judiciary is Necessary for the Fight Against Corruption

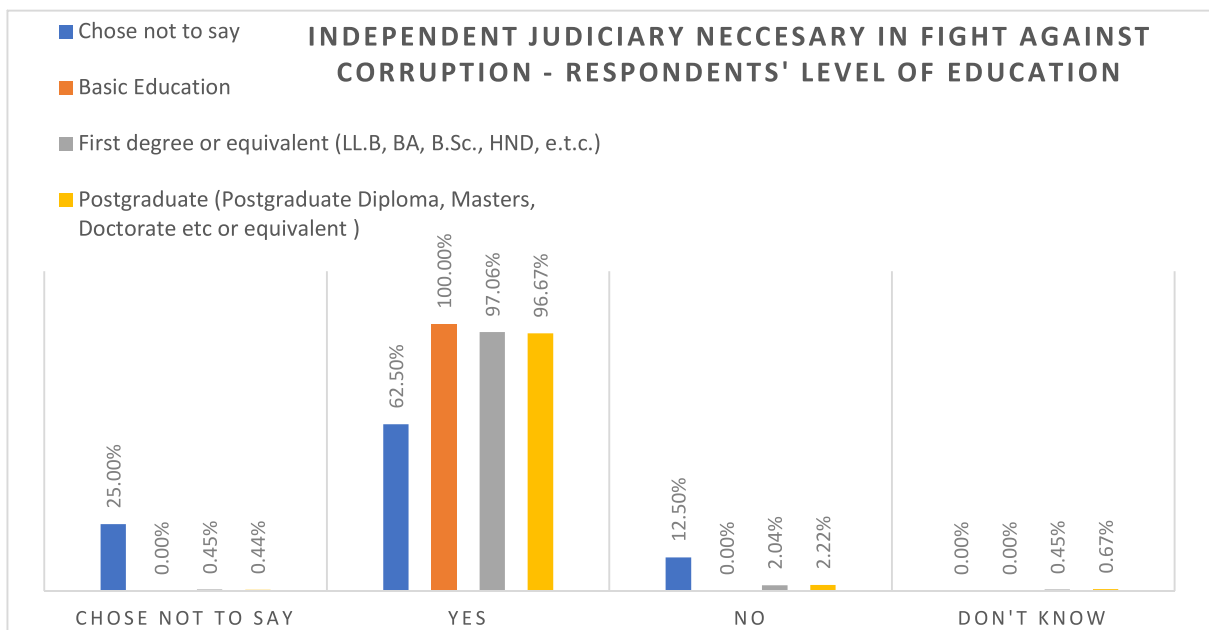
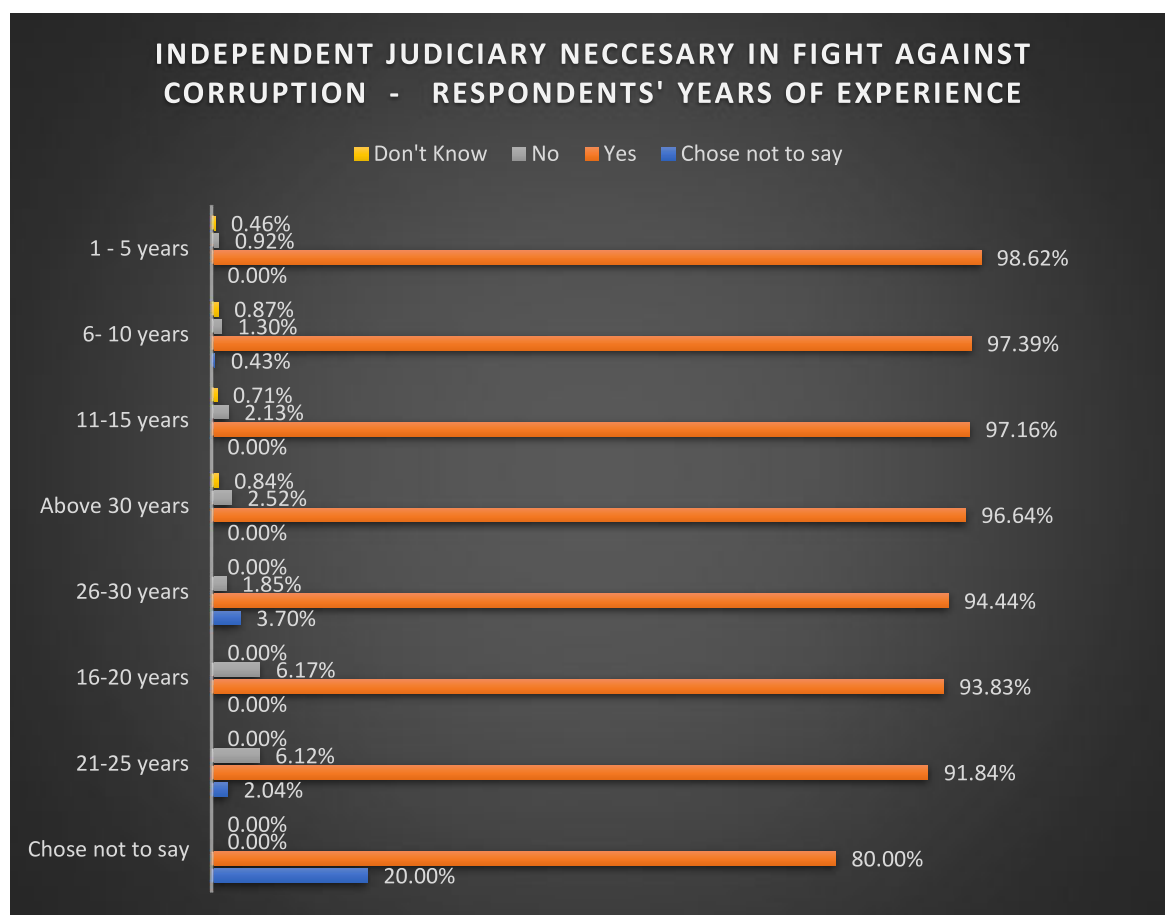


Figure 4: Respondents' Years of Experience in Relation to Opinion that Independence of Judiciary is Necessary for the Fight Against Corruption



Corrupt and Allied Practices Eroding the Independence of the Judiciary

Seeing that, on the whole, justice sector believed in the need for the judiciary to be independent in the fight against corruption, the question arises as to the exact practices or things eroding the independence of the judiciary. To answer this question, justice sector respondents were asked, to identify impediment(s) to the independence of the judiciary. They were required to answer the question on the basis of their experience. As seen in [Figure 5](#), justice sector respondents experienced that disobedience to court orders is the most profound factor that impedes the independence of the judiciary. Respondents identified several other factors that erode the independence of the judiciary. Factors related to corruption account for 32.24% of those reported by respondents as impeding the independence of the judiciary. In this category, fraud by litigants, fraud by lawyers, fraud by court staff and fraud by judges accounted for 7.35%, 8.58%, 8.99% and 9.32% respectively.

It is instructive that the NJP in 2017 had pointed out the need to review the laws and procedures for the enforcement of court judgments.⁴⁰ [Figure 5](#) and show that the need

⁴⁰ *Ibid.* p. 6.

for the review exercise still exists and the stakeholders may be guided by the findings of this survey in conducting the review or implementing the laws and procedures that may ensue from the review.

Figure 5: Impediments to the Independence of the Judiciary

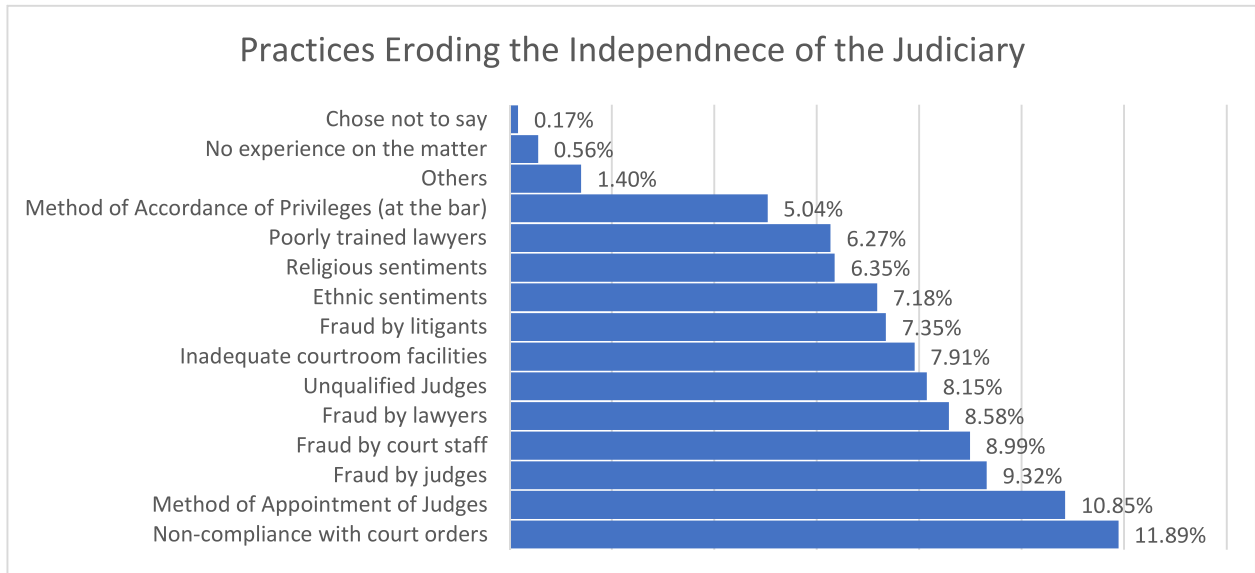
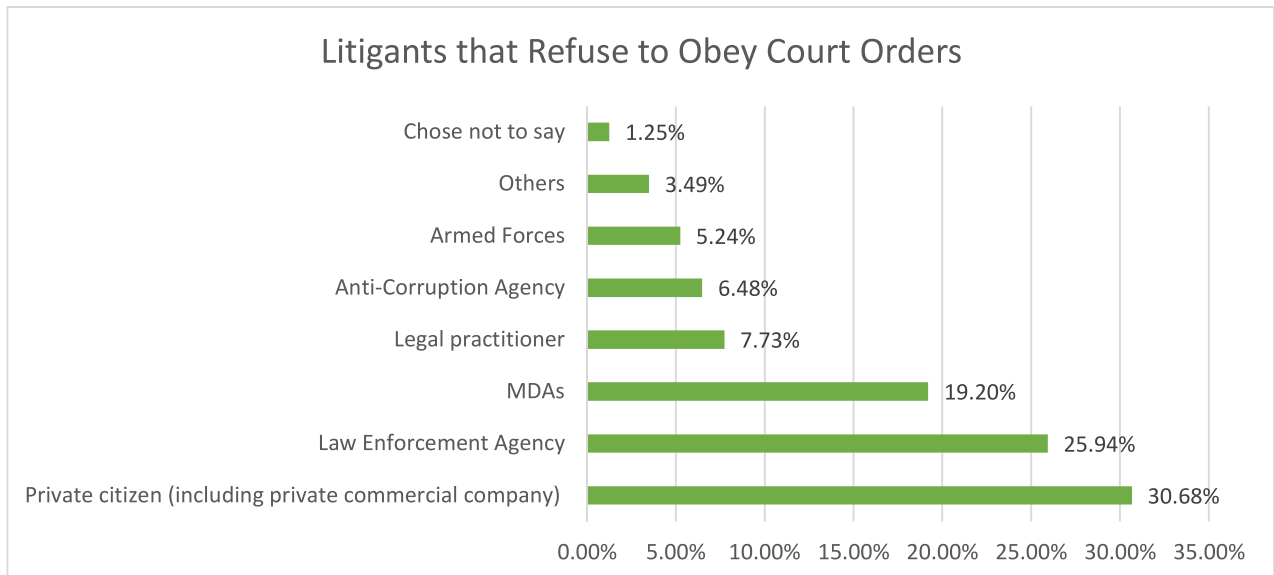
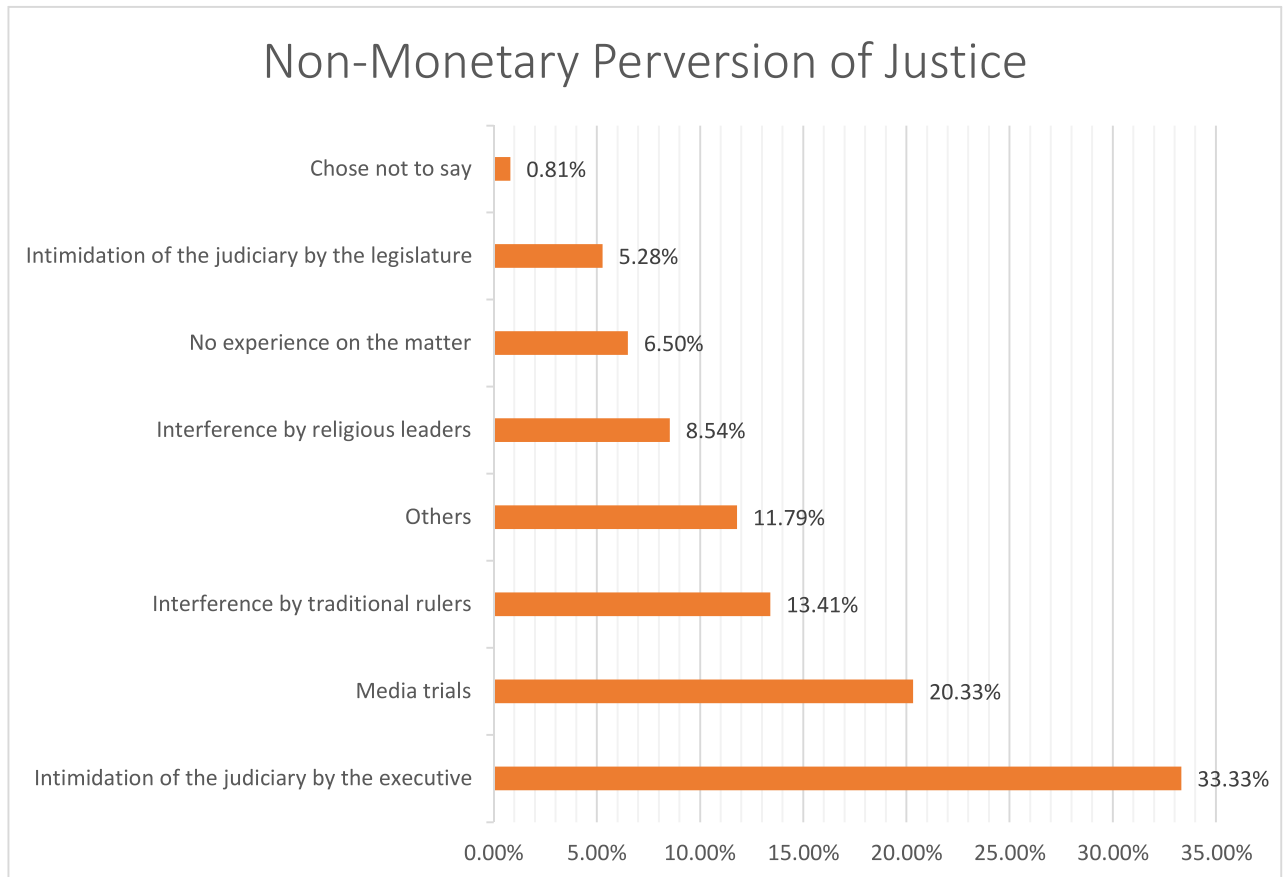


Figure 6: Persons and Authorities that Disobey Court Orders



Non-monetary perversion of Justice

Figure 7: Most Prevalent Means of Non-Monetary Perversion of Justice



⁴¹ *Ibid.* p. 2.

Bribe for Judgement

The NCI survey collected data on the experience of justice sector respondents on corrupt practices of “bribe for judgement”. This corrupt practice entails offering, demanding and payment of bribes to purchase a favourable judgement. This is one of the most egregious forms of grand corruption as it operates to undermine the very essence of judicial dispute resolution.

Lawyers play a very important role in the adversarial system of justice delivery. In both civil and criminal matters, lawyers represent each side before the court. The lawyer’s roles are well circumscribed and do not include offering or paying

bribes to obtain favourable judgments. Yet, as seen in [Figure 8](#), in the experience of justice sector respondents, lawyers are most responsible for bribe for judgment scenarios. Next to lawyers are litigants personally, court staff, judges and MDAs respectively.

In effect, the categories of persons or authorities who should respect and protect the judgments of the courts are the ones at the fore of debasing such judgments. It is instructive that indicates that private citizens lead the pack of people or entities that disobey court orders. The combination of and [Figure 8](#) suggests that the purchase of court judgments by private citizens or their lawyers devalues court orders and emboldens persons and entities to disobey court orders.

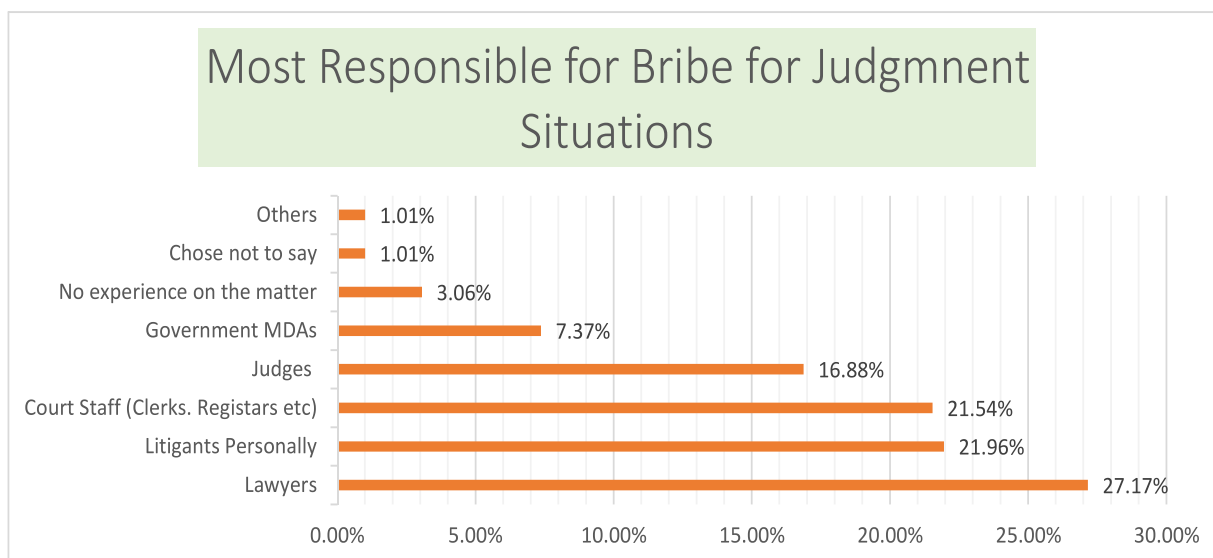
Vicious Cycle of Debasement

In the long run therefore, the corrupt practice of purchasing court orders is not beneficial to the society at large, including the corrupt purchaser. As judgments are purchased, they lose their worth and are debased.

The purchaser will have no respect for the court order or judgment and the cheated party will attach no value to the corruptly obtained judgment.

The lack of worth and respect that attach to the corruptly obtained judgment will taint other judgments, thereby starting a vicious cycle.

Figure 8: Most Responsible for Bribe for Judgment Scenarios

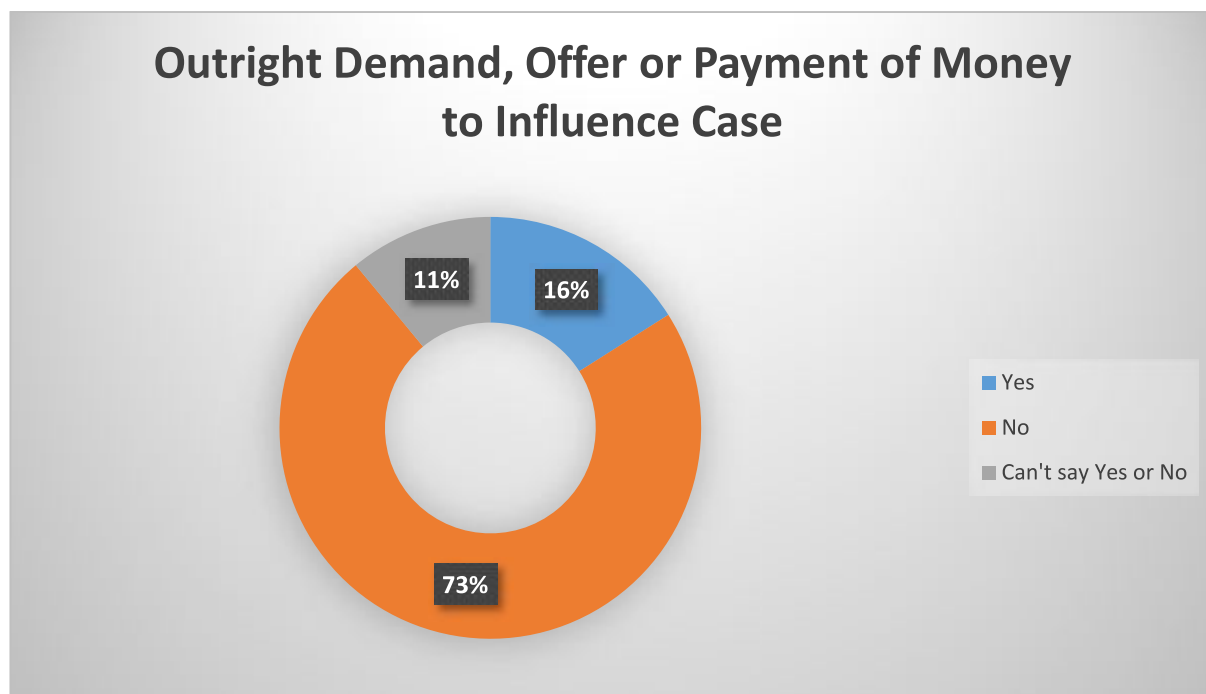


Outright offer or Demand for Bribe

In addition to the purchase of court judgments, there are other situations in the judicial process where offers or demands of bribe are made. In this context, the NCI survey asked judges if they had been outrightly offered a bribe to induce them to grant a favourable judgment. Court staff were asked if they had been offered a bribe in order to influence the outcome of a case. Lawyers were asked if demands had been made that they should pay a bribe to obtain a right for their client(s).

As seen in [Figure 9](#), a large percentage, 73%, of justice sector respondents did not experience a situation of outright demand or offer of bribe. Nevertheless, it remains alarming that 16% of respondents had experienced such blatant demands or offers of bribes. Follow up discussions indicated that the cases of outright demand and offer of bribes are mostly linked to election matters.

Figure 9: Bribe was Outrightly Offered, Demanded or Paid



Monetary Bribes in the Justice Sector

Money involved in the high-level corruption in this sector were categorised into money demanded, offered or paid. Demands are made by court officials including judges, while bribery offers, and payments are made by lawyers or litigants. The total amount of money reported by the justice sector respondents as corruptly demanded, offered and paid between 2018 and 2020 was ₦9,457,650,000.00 (Nine Billion, Four Hundred and Fifty-Seven Million, Six Hundred and Fifty Thousand Naira).

As seen in [Table 3](#), 78 respondents constituting 8.7% of all justice sector respondents reported offers or payments of bribes to influence the judicial process. Out of the 78 justice sector respondents that reported amounts of money offered or paid, 63, were lawyers. This number makes up 9.9% of all lawyers surveyed in the justice sector. The 63

lawyers that reported payment were mostly male being 69.8%, while their female colleagues constituted 30.2% of that population.

In all, the total amount of money reported by lawyers was **₦5,733,986,000.00** (Five Billion, Seven Hundred and Thirty-Three Million, Nine Hundred and Eighty-Six Thousand, Naira). The amount reported by female lawyers was **₦918,045,000.00** (Nine Hundred and Eighteen Million, Forty-Five Thousand Naira), while male lawyers reported **₦4,815,941,000.00** (Four Billion, Eight Hundred and Fifteen Million, Nine Hundred and Forty-One Thousand Naira). These amounts made up 9.71% and 50.92%, respectively, of the total amount reported by justice sector respondents. Lawyers reported 60.63% of the bribes offered and paid by justice sector respondents.

[Table 3](#) shows that the amount of money offered to judges was next in volume to payments made by lawyers. In all, **₦3,699,664,000.00** (Three Billion, Six Hundred and Ninety-Nine Million, Six Hundred and Sixty-Four Thousand Naira) was reported by 11, that is 8.9%, of the 123 judges surveyed. 6 (54.5%) out of the judges that reported the offers were female, while 5 (45.5%) were male. Although, the females were just slightly more in number than the males, the females reported a substantially higher amount of money. The total reported by the 6 female judges was **₦3,307,444,000.00** (Three Billion, Three Hundred and Seven Million, Four Hundred and Forty-Four Thousand Naira), while the 5 male judges reported **₦392,220,000.00** (Three Hundred and Ninety-Two Million, Two Hundred and Twenty Thousand Naira). These amounts made up 34.97% and 4.15%, respectively, of the total amount reported by justice sector respondents. Judges reported 39.12% of the bribes offered and paid by justice sector respondents.

The court staff reported the lowest amount of money offered as bribe to influence the outcome of a judicial process. Three female and one male court staff reported in this regard. The total amount of money reported by court staff was **₦24,000,000.00** (Twenty-Four Million Naira). The amount reported by the three female court staff was **₦3,000,000.00** (Three Million Naira), while the male court staff reported **₦21,000,000.00** (Twenty-One Million Naira). These amounts made up 0.03% and 0.22%, respectively, of the total amount reported by justice sector respondents. Court staff reported 0.25% of the bribes offered and paid by justice sector respondents.

In all, out of all the justice sector respondents that reported offers and payments, the female were 35.9%, while the male were 64.1%. It bears emphasis that not all the amounts reported by justice sector respondents were necessarily paid, because the judges and court staff were not asked if they received or collected the money offered to them. Only lawyers were asked if they were constrained to pay the demanded amounts. Nevertheless, it is a corrupt practice to offer to pay a bribe to induce a favourable judgment or other outcome of proceedings. The amounts offered are therefore taken into account in the NCI survey.

Follow up review of the amounts reported by justice sector respondents linked most of the sums of money to the judicial settlement of election or political disputes.

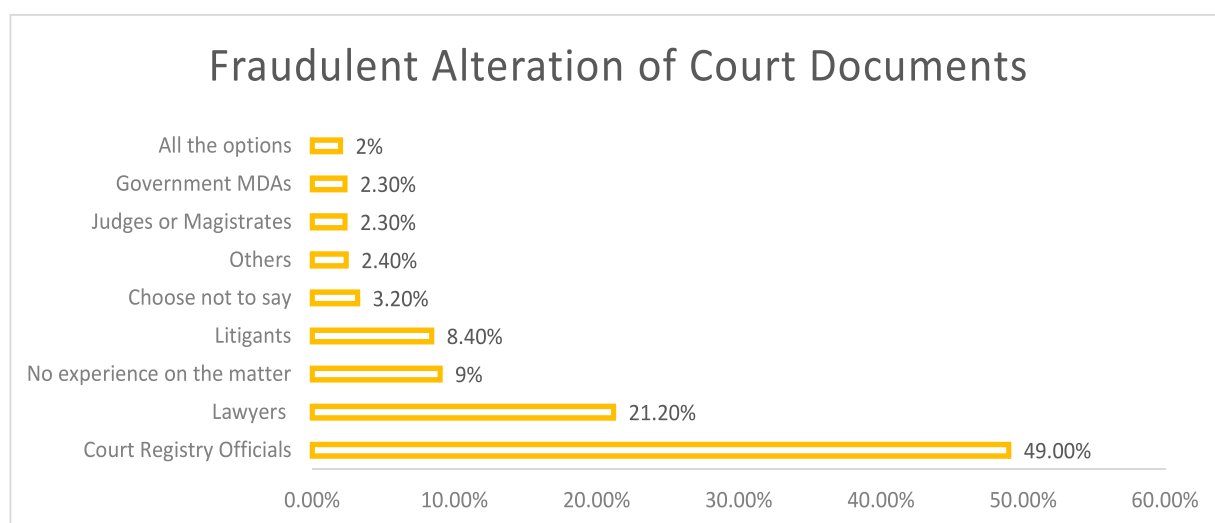
Table 3: Monetary Bribe Reported by Justice Sector Respondents

Category	Sex	Number of respondents that reported the experience	Percentage of respondents that reported the experience	Amount of money reported	Percentage of total amount reported
Lawyers	Female	19	19/63 (30.2%)	918,045,000	9.71%
	Male	44	44/63 (69.8%)	4,815,941,000	50.92%
	Total	63	63/636 (9.9%)	5,733,986,000	60.63%
Judges	Female	6	6/11 (54.5%)	3,307,444,000	34.97%
	Male	5	5/11 (45.5%)	392,220,000	4.15%
	Total	11	11/124 (8.9%)	3,699,664,000	39.12%
Court staff	Female	3	3/4 (75.0%)	3,000,000	0.03%
	Male	1	1/4 (25.0%)	21,000,000	0.22%
	Total reported	4	4/25 (16.0%)	24,000,000	0.25%
All Respondents	Female	28	28/78 (35.9%)	4,228,489,000	44.71%
	Male	50	58/78 (64.1%)	5,229,161,000	55.29%
	Total	78	78/901 (8.7%)	9,457,650,000	100.00%
Note					
Total court staff = 25					
Total chose not to say = 116					
Total judges = 124					
Total lawyers = 636					
Total respondents = 901					

Fraudulent Alteration of Court Documents

Grand corruption in the justice sector also manifests in the form of fraudulent alteration of court documents. In the experience of justice sector respondents, court staff are most responsible for this corrupt practice. [Figure 10](#) shows that the combined forces of lawyers and court staff account for 70.2% of cases of fraudulent alteration of court documents. This is another situation where those who have a duty to implement the system are also the most responsible for degrading it.

Figure 10: Corrupt Alteration of Court Documents



Grand Corruption in the Legislative Functions of Governance

The legislative arm of government has among others, law making,⁴² and oversight functions.⁴³ In performing these functions, the legislators aim to build or “restore public trust in the political process, and in government.”⁴⁴ In conducting their work, legislators are to “maintain high ethical standards”. However, desk review of existing literature and media sources indicate the possible existence of grand corruption in some aspects of legislative work. In particular, questions of corruption have been raised in the exercise of legislative oversight and abuse of office.

The NCI Pilot Survey therefore asked respondents questions on their experience on:

- Abuse of legislative oversight functions; and
- Abuse of legislative office through Project Inspections.

Abuse of Legislative Oversight Function

The legislative arm of government has the constitutional oversight functions over MDAs. While this allows for the operation of checks and balances, it has also been a vehicle of grand corruption. For instance, no MDA has a budget for facilitating legislative oversight visits, yet as shown in [Figure 11](#), 22% of MDA respondents have experienced situations where legislative oversight visits were facilitated by their MDAs. [Figure 12](#) shows that 79% of those who have experienced legislative oversight reported that such oversight visits have occurred in the past three years. [Figure 13](#) shows that those who had spent 26 years and above experienced these facilitated visits more than other MDA officials while those who had spent between 1-5 years had the least experience of this practice. This suggests that the most senior officials are the ones concerned with facilitating the oversight visits

As described in [Figure 14](#), The most prevalent modalities of facilitating oversight visits are provision of hotel accommodation, transportation, and outright cash payments. In the experience of MDA personnel, other forms of gratification applied in facilitating legislative oversight visits include provision of recruitment slots, creation of job vacancies, entertainment, and gifts.

Money Spent on facilitating Oversight Visits

Out of the 399 MDA respondents, 26 (6.51%) reported the amount of money spent by their MDAs in the past three years to facilitate legislative oversight visits. The total amount of money reported by the MDA respondents as corruptly paid for legislative oversight visits was **₦86,148,000.00** (Eighty-Six Million, One Hundred and Forty-Eight Thousand Naira). Table 4 shows that 76.9% of the MDA respondents that reported these expenditures were part of senior management. The total amount reported by this group

⁴² Section 4 (2) 1999 Constitution of the Federal Republic of Nigeria (as amended).

⁴³ Sections 88 & 89 of the 1999 Constitution of the Federal Republic of Nigeria (as amended).

⁴⁴ Legislative Agenda for the 9th House of Representatives (2019 – 2023), officeofthespeaker.ng accessed 04/09/2020.

was ₦50,973,000.00 (Fifty Million, Nine Hundred and Seventy-Three Thousand Naira). This amount made up 59.17% of the total amount reported by the MDA respondents.

Other MDA respondents, who were not part of senior management, constituted 23.1% of those that reported the expenditures in issue. The amount they reported was ₦35,175,000.00 (Thirty-Five Million, One Hundred and Seventy-Five Thousand Naira) being 40.83% of the total reported as expended on legislative oversight visits. Between both senior and non-senior management respondents that reported on this issue, 11.5% were female and 88.5% were male.

Figure 11: Legislative Oversight Visits Facilitated by MDAs

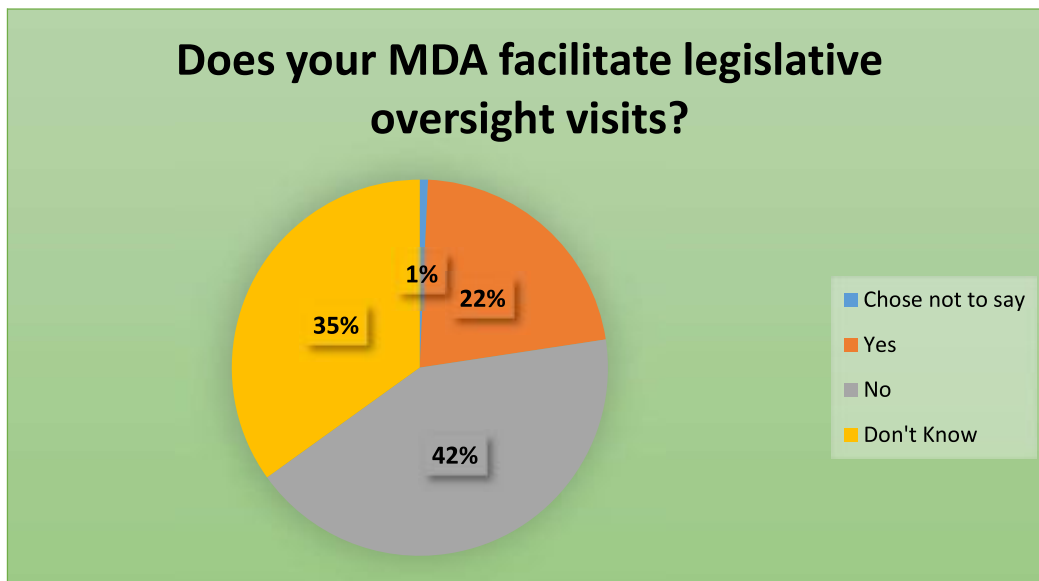


Figure 12: Legislative Oversight Visit Facilitated by MDAs in the Last three Years

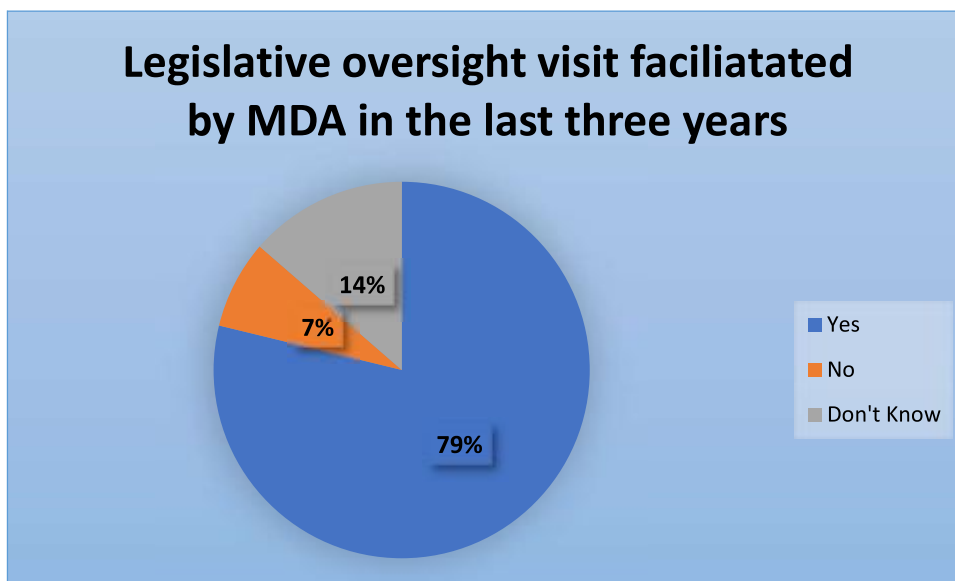


Figure 13: Years of Service of Public Officials in Relation to Experience of MDAs Facilitating Legislative Oversight Visits

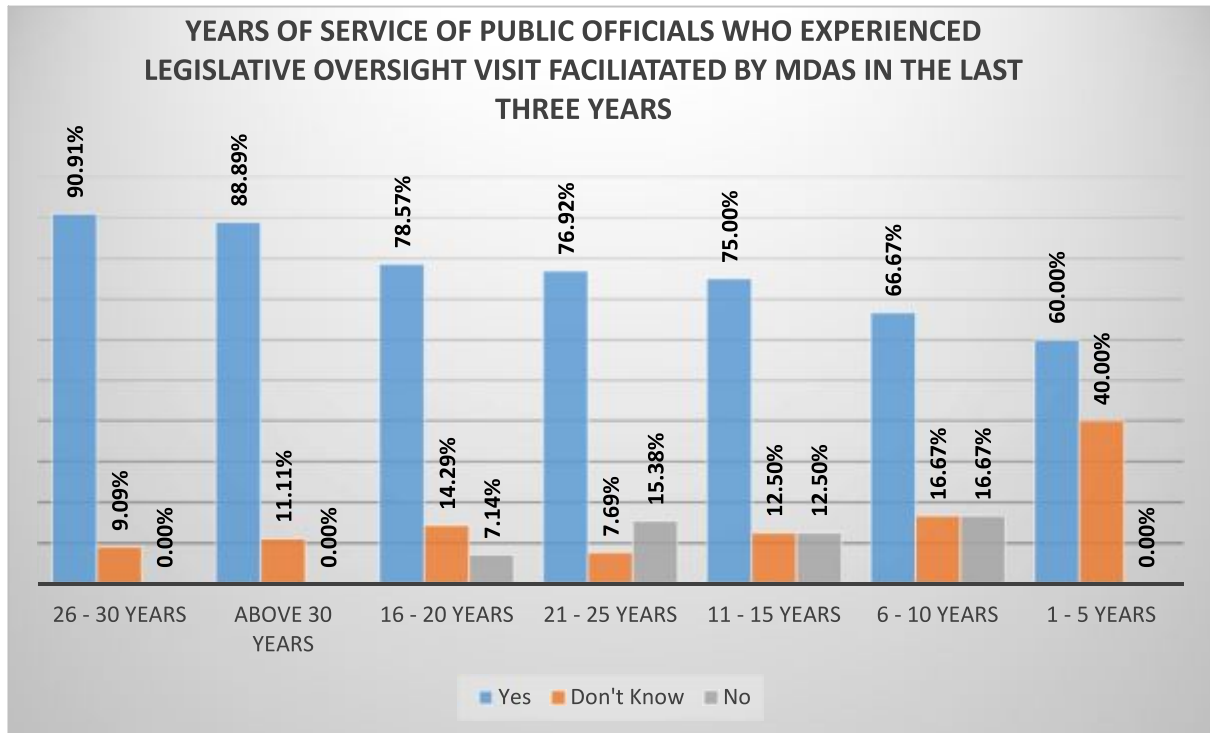


Figure 14: Modalities of Facilitating Legislative Oversight Visits to MDAs

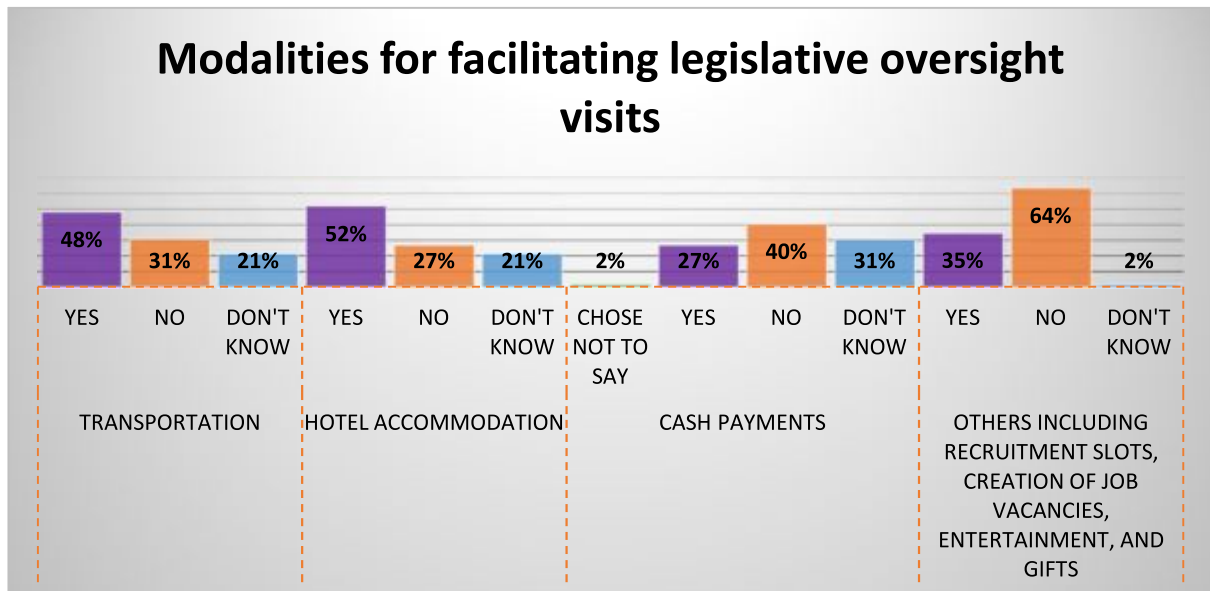


Table 4: Money Spent by MDAs for Facilitating Legislative Oversight Visits

Role/Position	Sex	Number of Respondents that Reported the Experience	Percentage of Respondents that Reported the Experience	Amount Reported	Percentage of Total Amount Reported
Senior Management	Female	1	1/20 (5.0%)	100,000	0.12%
	Male	19	19/20 (95.0%)	50,873,000	59.05%
	Total reported	20	20/26 (76.9%)	50,973,000	59.17%
Others	Female	2	2/6 (33.3%)	625,000	0.73%
	Male	4	4/6 (66.7%)	34,550,000	40.11%
	Total reported	6	6/26 (23.1%)	35,175,000	40.83%
All Roles	Female	3	3/26 (11.5%)	725,000	0.84%
	Male	23	23/23 (88.5%)	85,423,000	99.16%
	Total reported	26	26/399 (6.51%)	86,148,000	100.00%
Note					
Total MDA Respondents = 399					

Abuse of Legislative Office through Project Inspections

It is not ordinarily a legislative function to inspect governmental contracts awarded to private businesses. However, [Figure 15](#) shows that 31% of private sector respondents indicated that they had experienced situations where projects were inspected by legislators. [Figure 16](#) shows that 19% of those who had experienced project visits by legislators paid some money to facilitate the project visits. It would appear that the more established businesses experienced this practice more than their younger competitors. As seen in [Figure 17](#), companies that had spent more than 16 years doing business in Nigeria, made up 90.42% of those that had experienced this practice. This practice can operate to stifle young businesses that cannot afford to spend on the facilitation of legislative project visits.

Figure 15: Public Project Executed by Private Companies Inspected by Legislators

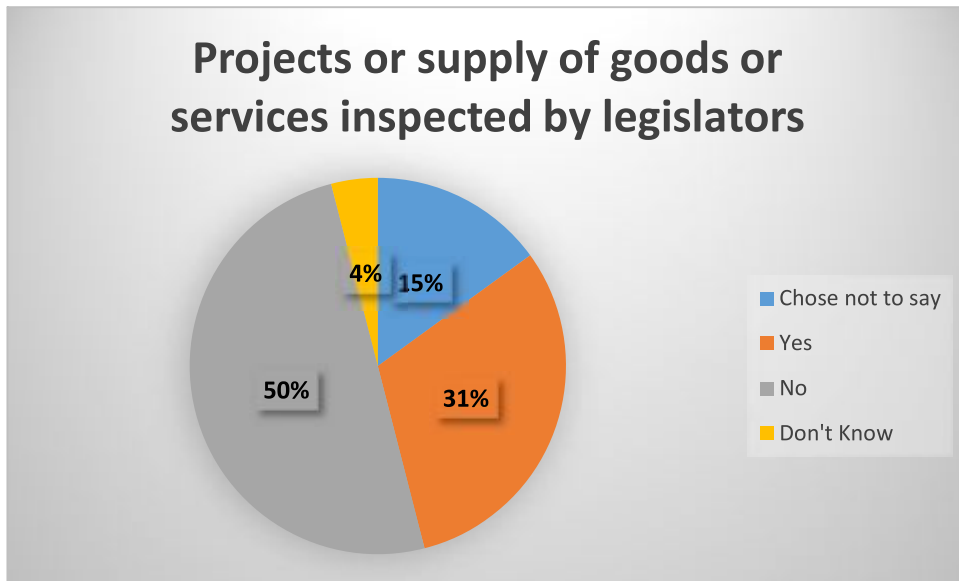


Figure 16: Private Company Facilitated Visit of Legislators to Inspect Project

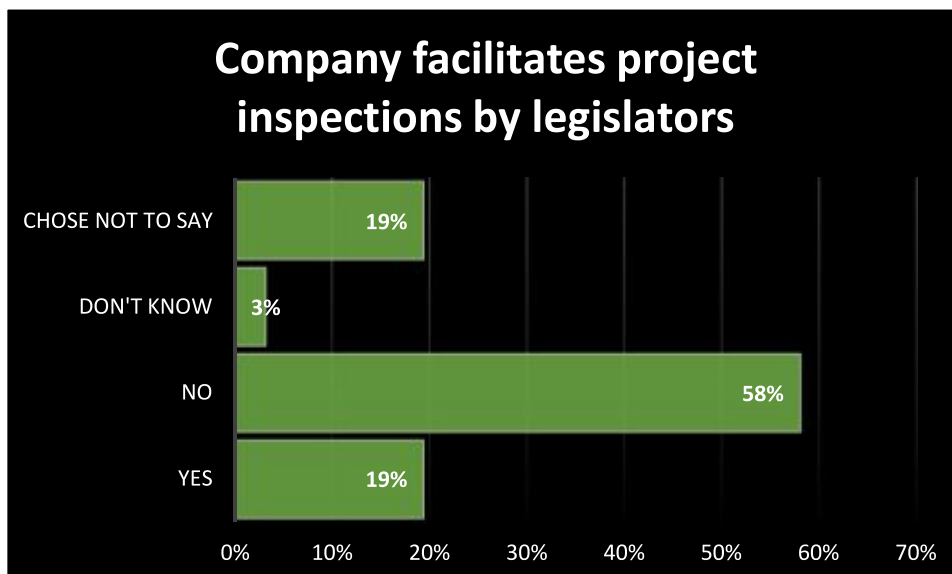
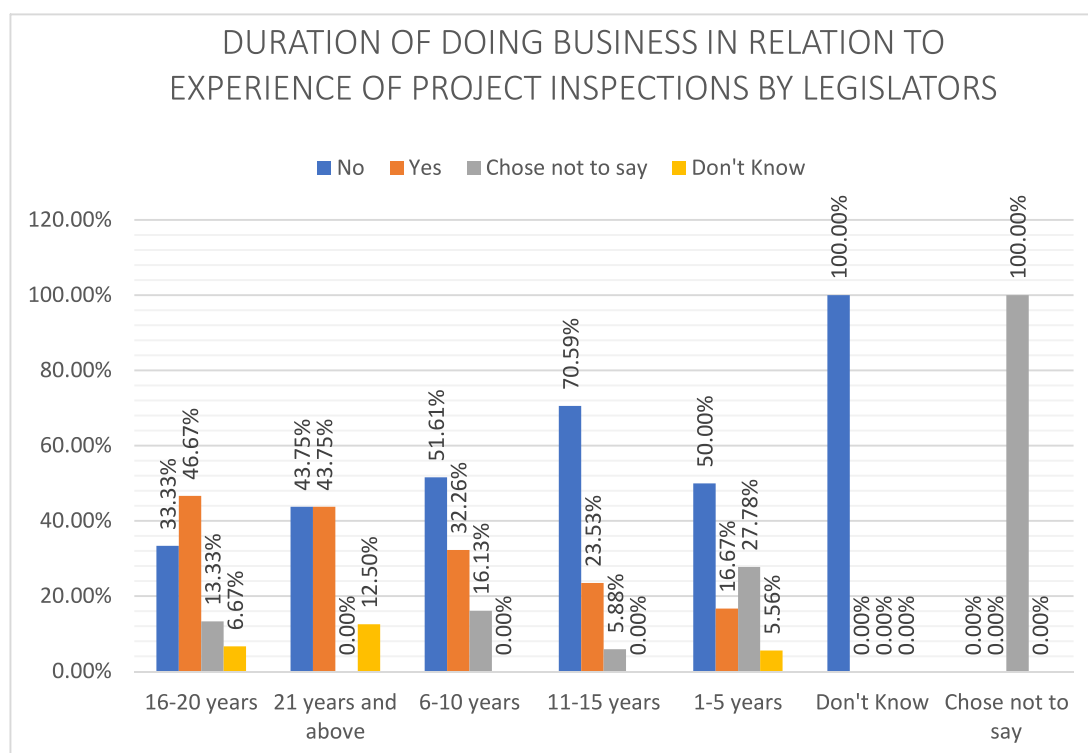


Figure 17: Duration of Doing Business in Relation to Project Inspection by Legislators



Money Spent by Private Businesses to Facilitate Project Inspection by Legislators

Money involved in facilitation of legislators’ project inspection visits are paid by private companies. Although [Figure 16](#) shows that 19% of private business sector respondents had facilitated project visits by legislators, only one of the private business sector respondents reported the amount of money spent. [Table 5](#) shows that the total amount of money reported by the respondent as corruptly paid for legislators’ project inspections was ₦20,000,000.00 (Twenty Million Naira). The sole respondent was the CEO of a limited liability company who had between 16 and 20 years of business experience in Nigeria. Major activities of the company include Heavy industry, including mining and quarrying; oil and gas; and power generation/transmission.

Table 5: Private Business that Facilitated Legislative Project Visit

Type of Company	Major Activities	Role	Years of Experience	Amount Reported in Naira
Limited	Heavy industry, including mining and quarrying; oil and gas; and power generation/transmission	Chief Executive Officer (CEO) or Equivalent.	16-20 years	20,000,000

Grand Corruption in the Executive Arm of Governance

The executive functions of governance are mostly performed through MDAs. The MDAs therefore stand for and represent the government in interacting with individuals and corporate entities in the country. In these interactions, MDAs are required to abide by all applicable laws and regulations. Among others, public officials are bound by the Public Service Rules and the Code of Conduct for Public Officers. In the context of all the policy and legal provisions governing the performance of public service duties, the NCI survey asked questions about corrupt practices relating to:

- Public offices receiving gifts from contractors in appreciation of contract-related work
- Political interference in the award of contracts by MDAs
- Money meant for government accounts paid into private accounts
- Employment on the strength of political connections
- Exploitation of goods and service providers through project visits
- Corrupt issuance of licences and permits

Receiving Gifts from Contractors in Appreciation of Official Work

The Code of Conduct for Public Officers prohibits the request or acceptance of any property or benefit on account of anything done or omitted to be done by a public official.⁴⁵ In essence, public officials must not accept gifts on account of services rendered in the course of their employment. Public officials can only accept personal gifts or benefits from relatives or personal friends to such extent and on such occasions as are recognised by custom.⁴⁶ Public officers can also accept ceremonial gifts on behalf of their MDAs. So, public officials are prohibited from receiving gifts from appreciative contractors.

The prohibition of receiving gifts by public officials also extends to their offices. In other words, gifts that the public officials cannot receive in person, they cannot receive through their office. However, when asked if contractors give gifts in appreciation of work done by their office, 12% of MDA respondents, as shown in [Figure 18](#) reported in the affirmative.

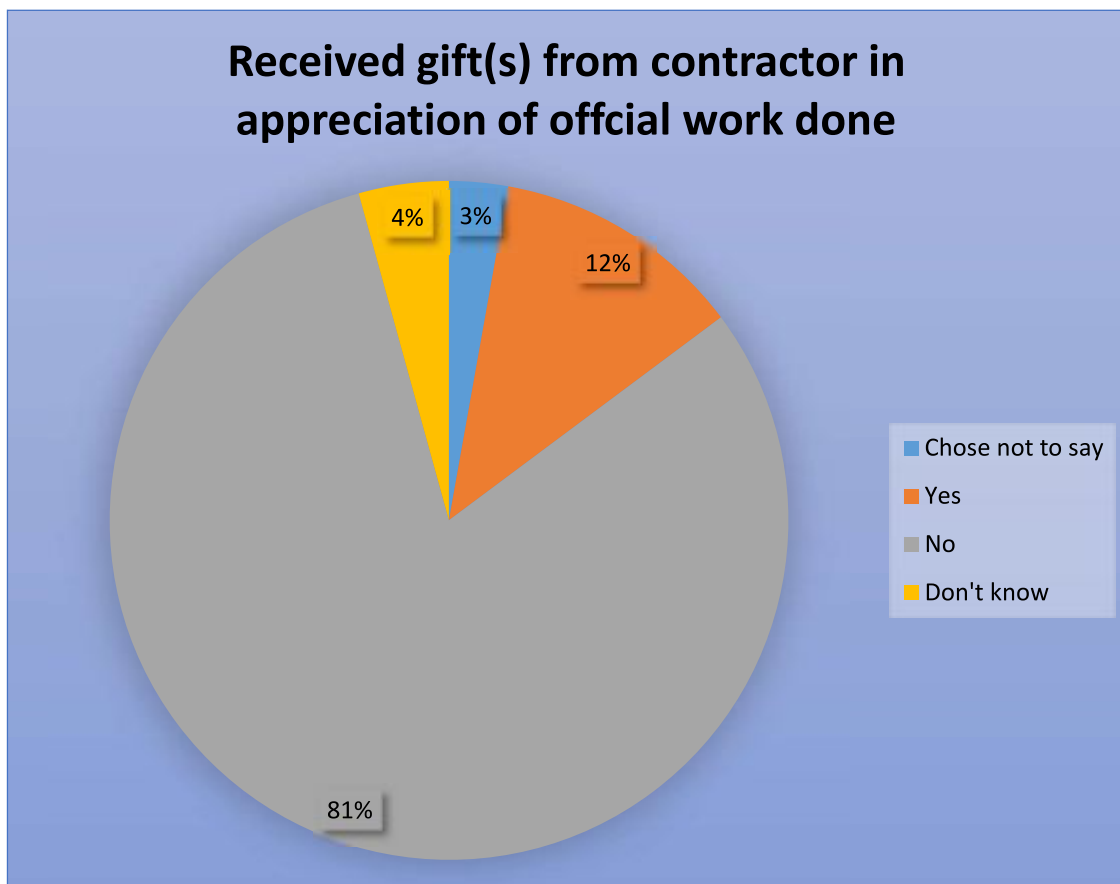
The practice of receiving monetary appreciation from contractors by the respondents' offices is indicative of systemic and centralised corruption. Where a gift is given to the office and not the individual, a manner of buffer is created to insulate the individual public official from the consequences of the violation of the rules prohibiting the reception of gifts. Public officials try to create these kinds of buffer where there are effective anticorruption interventions targeted at individuals. The individuals can then bunch together to centralise their conduct and ostensibly deflect responsibility.

⁴⁵ Paragraph 6 (1&2) of the Fifth Schedule to the 1999 Constitution of the Federal Republic of Nigeria (as amended).

⁴⁶ Ibid., Paragraph 6(3).

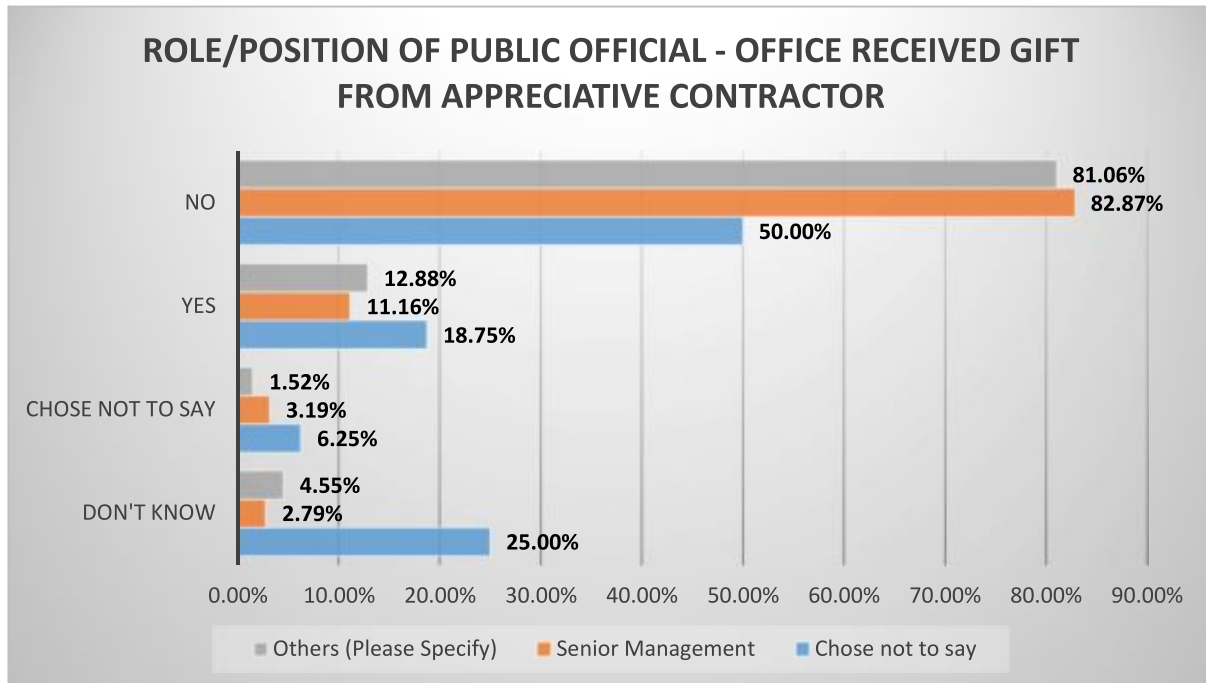
One prerequisite to the establishment of such “centralized corruption is the ability to enforce joint profit in bribe collection”⁴⁷ However, as seen in [Figure 19](#), 82.87% of senior management reported that they had not experienced the corrupt practice of receiving gifts from appreciative contractors. It could therefore be that if the enforcement of the centrally received gifts requires some form of enforcement, the enforcement mechanisms may not necessarily be based on formal hierarchies. At any rate, in designing and implementing anti-corruption initiatives, it is important to not over concentrate on individuals while overlooking centrally controlled and organised practices.

Figure 18: Gifts in Appreciation of Official Contract-Related Work



⁴⁷ Boris Begovic, *Corruption: Concepts, Types, Causes, and Consequences* Economic Reform (March 21, 2005) p. 4.

Figure 19: Role/Position of Public Officials whose Offices Received Gifts from Appreciative Contractors



Amount of Money Received by MDA Offices as Gifts from Private Business Sector for Contract-Related Work

As reported by 38 out of the 399 MDA respondents, in the past three years, their offices had received **₦3,535,750.00** (Three Million, Five Hundred and Thirty-Five Thousand, Seven Hundred and Fifty Naira) as gifts for contract-related work. Thus, the number of respondents that reported this amount constituted 9.5% of MDA Respondents. [Table 6](#) shows that members of senior management formed 57.9% of respondents that reported this issue, while 36.8% were non-senior management staff. Those that chose not to say their position in the MDA were 5.3% of the respondents that reported on the issue.

Out of the total amount reported, the senior management staff, non-senior management staff and those that chose not to say their roles reported **₦2,245,000.00** (Two Million, Two Hundred and Forty-Five Thousand Naira), **₦1,165,750.00** (One Million, One Hundred and Sixty-Five Thousand, Seven Hundred and Fifty Naira), and **₦125,000.00** (One Hundred and Twenty-Five Thousand Naira) respectively. These amounts respectively made up 63.49%, 32.97%, and 3.54% of the total amount reported. 84.2% of the respondents that reported the reception of this gifts were male while 15.8% were female.

Table 6: Money Received by MDA Offices as Gifts for Contract-Related Work

Role/Position	Sex	Number of Respondents that Reported the Experience	Percentage of Respondents that Reported the Experience	Amount Reported in Naira	Percentage of Total Amount Reported
Chose not to say	Male	2	2/2 (100%)	125,000	3.54%
	Total reported	2	2/38 (5.3%)	125,000	3.54%
Senior Management	Female	3	3/22 (13.6%)	305,000	8.63%
	Male	19	19/22 (86.4%)	1,940,000	54.87%
	Total reported	22	22/38 (57.9%)	2,245,000	63.49%
Others	Female	3	3/14 (21.4%)	15,500	0.44%
	Male	11	11/14 (78.6%)	1,150,250	32.53%
	Total reported	14	14/38 (36.8%)	1,165,750	32.97%
All roles	Female	6	6/38 (15.8%)	320,500	9.06%
	Male	32	32/38 (84.2%)	3,215,250	90.94%
	Total reported	38	38/399 (9.5%)	3,535,750	100.00%
Note					
Total MDAs respondents = 399					

Political Interference in the Award of Contracts

There are extant laws, regulations and policies governing the award of contracts in the public sector.⁴⁸ A strict adherence to the applicable laws should ordinarily preclude the award of contracts on the basis of the political weight or network of the contract awardee. [Figure 20](#) shows that in the past three years, 21% of public servants have experienced contracts being awarded on the basis of political connections. On the other hand, [Figure 21](#) shows that 47% of respondents from the private business sector reported the experience of contracts being won on the strength of political connections.

Figure 20: Public Officials' Experience of Contract Awarded on the Basis of Political Connection

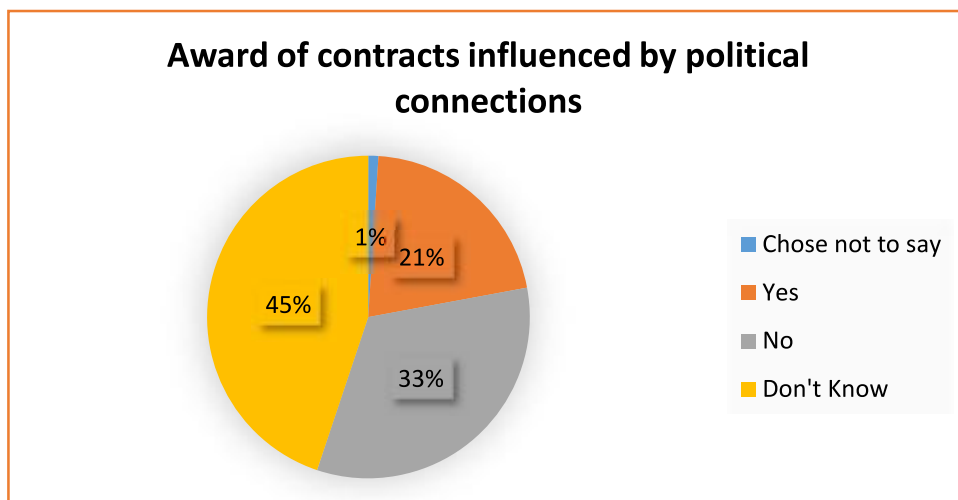
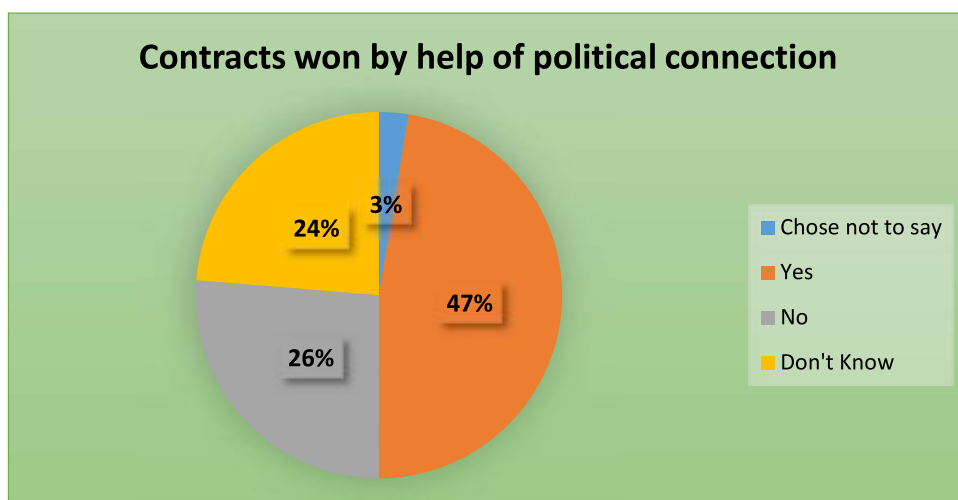


Figure 21: Experience of Private Sector Respondents on Contracts Awarded on the Basis of Political Connection



⁴⁸ For example, Public Procurement Act, 2007; Public Procurement (Goods and Works) Regulations 2007; Public Procurement (Consultancy Services) Regulations 2007; etc are applicable at the federal level and at subnational level where projects are funded by up to 35% of the Federal Share of the Consolidated Revenue Fund. Many States also have Public procurement laws. For example, Rivers, Delta, and Edo.

Private Businesses Paying Money Meant for the Government into Private Bank Accounts

When paying for licences, permits, and other goods or services provided by the government, private businesses are required to pay directly into governmental accounts. There have been several initiatives in recent times to streamline and harmonise the payment of money into the government treasury. However, as shown by [Figure 22](#), 8% of private sector respondents reported that they paid money due to the government into private accounts. [Figure 23](#) shows that limited liability companies constituted 50% of businesses that had experienced this practice.

Figure 22: Private Businesses Making Paying Money meant for Government into Private Bank Accounts

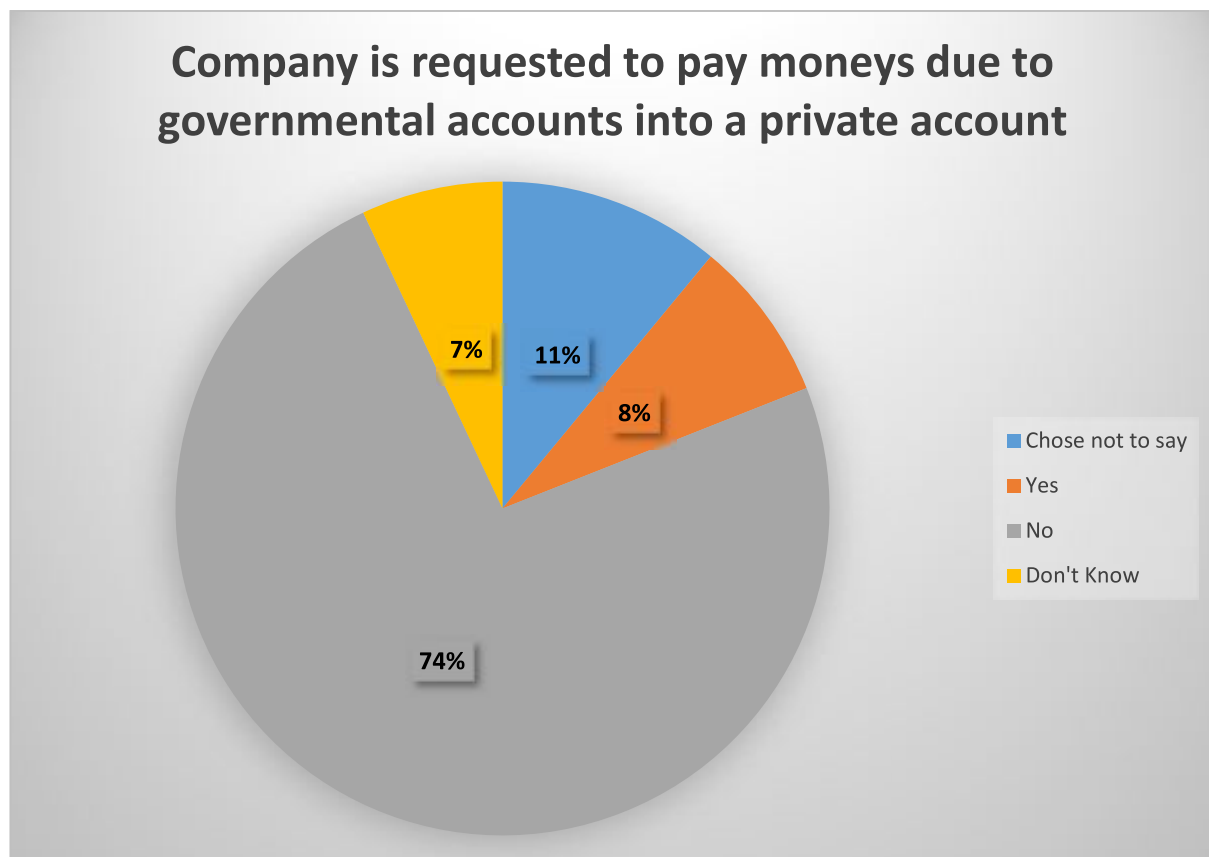
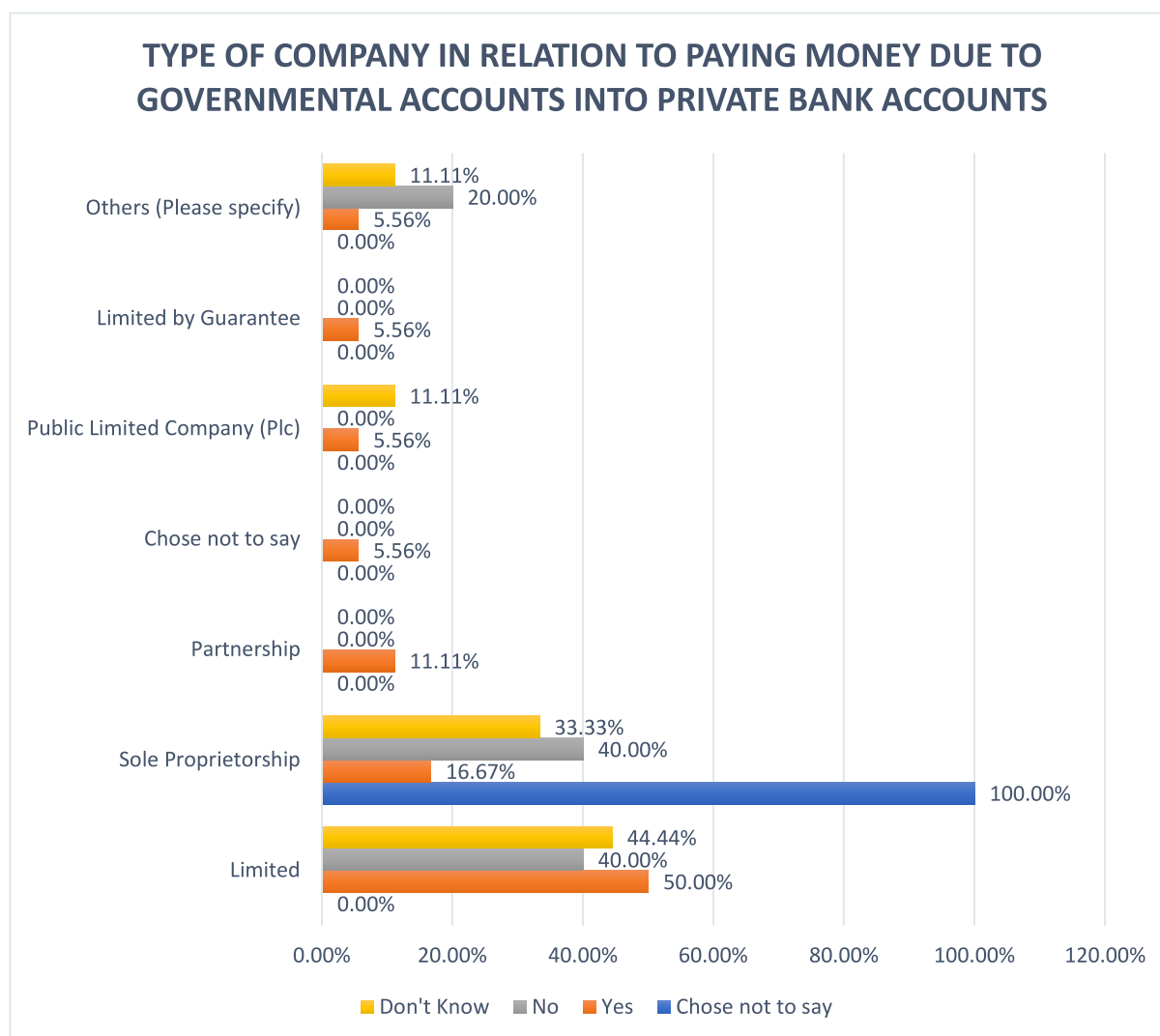


Figure 23: Types of Companies in Relation to Payment of Money Meant for Governmental Accounts into Private Bank Accounts



Money Due to Governmental Accounts Paid into Private Accounts

Private sector respondents reported being required to pay money due to the public treasury into private accounts. **The total amount of money reported by companies as paid into private accounts, in the past three years was ₦500,000,500.00 (Five Hundred Million and Five Hundred Naira).** [Table 7](#) shows that only 2 out of the 100 private business sector respondents reported the amount paid. The company that had been doing business in Nigeria for longer paid 99.99% of the total amount reported. The younger business is a partnership that deals in Agro/Food industries. This company reported paying ₦500.00 (Five Hundred Naira) of government money into a private account. The five hundred Naira paid does not meet the threshold required for grand corruption.⁴⁹ The older company reported paying ₦500,000,000.00 (Five Hundred Million Naira). The

⁴⁹ However, the amount reported could not be excluded because other responses of this respondent were related to grand corruption.

Table 7: Paying Money Due to Government into Private Bank Accounts

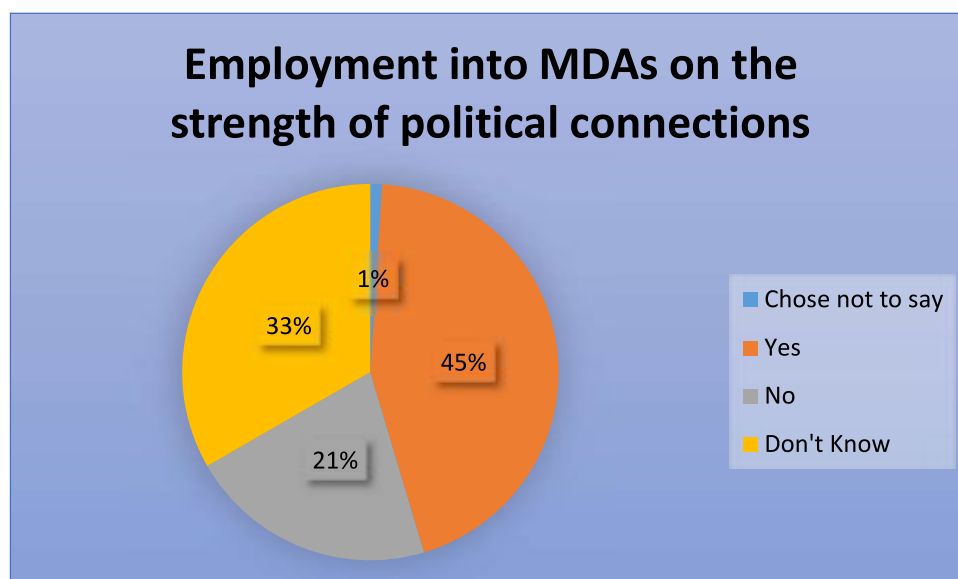
Type of Company/Business	Major Activities	Years of Experience	Role	Number of Respondents that Reported the Experience	Percentage of Respondents that Reported the Experience	Amount reported in Naira	Percentage of Total Amount Reported
Limited	Heavy industry, including mining and quarrying; oil and gas; and power generation/transmission	16-20 years	Chief Executive Officer (CEO) or Equivalent	1	1/2 (50.0%)	500000000	99.99%
Partnership	Agri /food industries	6-10 years	Senior Management	1	1/2 (50.0%)	500	0.000001%
Total Reported				2	2/100 (2.0%)	500,000,500	100%
Note							
Total Private Business Respondents = 100							

Employment into MDAs on the Strength of Political Connections

The exploitation of political power for securing employment for acquaintances, cronies, friends and relatives is a form of grand corruption that prevents the best qualified Nigerians from accessing employment opportunities in the public sector. [Figure 24](#) shows that 45% of MDA staff reported that in their experience, staff were recruited based on political connections.

While it is not unlawful that political appointees who serve at the pleasure of the political office holder may be employed based on political considerations, the recruitment into the mainstream public service should not be based on political connections.

Figure 24: Politically Influenced Employment



Exploitation of Goods or Service Providers through Project Inspections

Project inspections are normal and lawful in relation to contracts executed from the public purse. At a minimum it helps to ensure that contracts are performed according to specifications including the use of good quality materials. The need for project inspection is accentuated by the survey finding in [Figure 33](#), that 61% of private sector respondents have experienced the use of substandard materials to reduce the cost of project delivery.

Unfortunately, some public officials take the project visits as a licence to corruptly enrich themselves as private businesses are constrained to facilitate these project inspections. As reported in [Figure 32](#), 50% of private business sector respondents had facilitated MDA project visits in the past three years.

Money Spent by Companies on MDAs Project Inspections

As seen in [Figure 25](#), 50% of private business sector respondents had facilitated project visits by MDA personnel. [Table 8](#) shows that 11 private business sector respondents reported having paid ₦317,770,500.00 (Three Hundred and Seventeen Million, Seven Hundred and Seventy Thousand, Five Hundred Naira) in the past three years to facilitate project inspections. It is therefore not surprising that [Figure 26](#) shows that 60% of private business sector respondents reported having experienced the use of substandard materials to maximise profits.

Table 8: Private Business Sponsoring MDAs Projects Inspection

Type of Company/Business	Major Activities	Years of Experience	Role	Number of Respondents that Reported the Experience	Percentage of Respondents that Reported the Experience	Amount Reported in Naira	Percentage of Total Amount Reported
Limited	Heavy industry, including mining and quarrying Oil, gas and power generation/transmission	16-20 years	Chief Executive Officer (CEO) or Equivalent	1	1/11 (9.1%)	200,000,000	62.94%
Limited	Arms and defence, Construction (roads, dams, tunnels, buildings, ships, etc.)	21 years and above	Chief Executive Officer (CEO) or Equivalent	1	1/11 (9.1%)	108,300,000	34.08%
Sole Proprietorship	Consultancy	1-5 years	Senior Management	1	1/11 (9.1%)	5,000,000	1.57%
Partnership	Construction (roads, dams, tunnels, buildings, ships, etc.)	11-15 years	Chief Executive Officer (CEO) or Equivalent	1	1/11 (9.1%)	3,000,000	0.94%
Limited	Construction (roads, dams, tunnels, buildings, ships, etc.), Consultancy, Telecoms and IT	1-5 years	Chief Executive Officer (CEO) or Equivalent	1	1/11 (9.1%)	750,000	0.24%
Limited	Consultancy	16-20 years	Senior Management	1	1/11 (9.1%)	200,000	0.06%
Limited	Consultancy	6-10 years	Chief Executive Officer (CEO) or Equivalent	1	1/11 (9.1%)	200,000	0.06%
Limited	Construction (roads, dams, tunnels, buildings, ships, etc.), Consultancy, Telecoms and IT	1-5 years	Chief Executive Officer (CEO) or Equivalent	1	1/11 (9.1%)	150,000	0.05%
Public Limited Company (Plc)	Construction (roads, dams, tunnels, buildings, ships, etc.) and Consultancy	6-10 years	Chief Executive Officer (CEO) or Equivalent	1	1/11 (9.1%)	100,000	0.03%
Limited	Construction (roads, dams, tunnels, buildings, ships, etc.)	11-15 years	Chief Executive Officer (CEO) or Equivalent	1	1/11 (9.1%)	70,000	0.02%
Partnership	Agri /food industries	6-10 years	Senior Management	1	1/11 (9.1%)	500	0.0002%
Total reported				11	11/100 (11.0%)	317,770,500	100.00%
Note							
Total Company respondents = 100							

Figure 25: Private Business Facilitating Project Inspection by MDAs

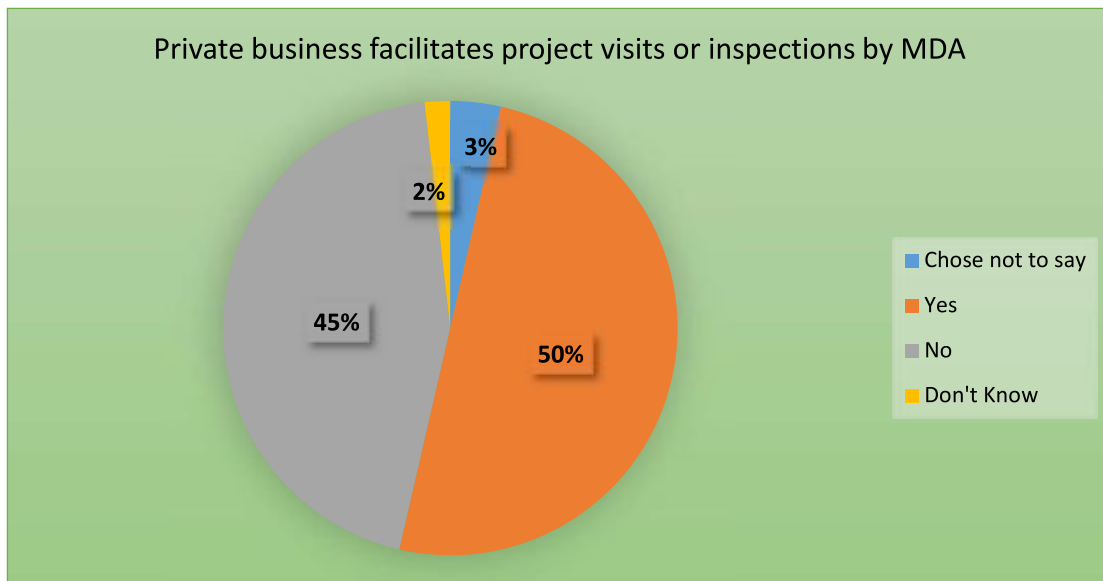
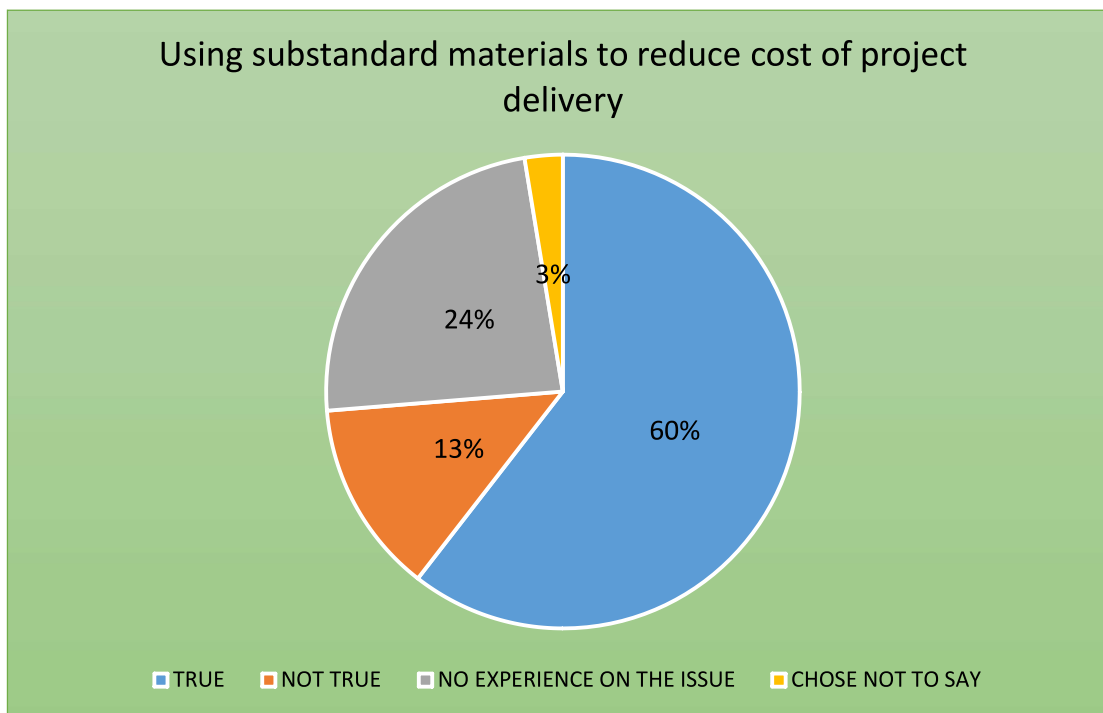


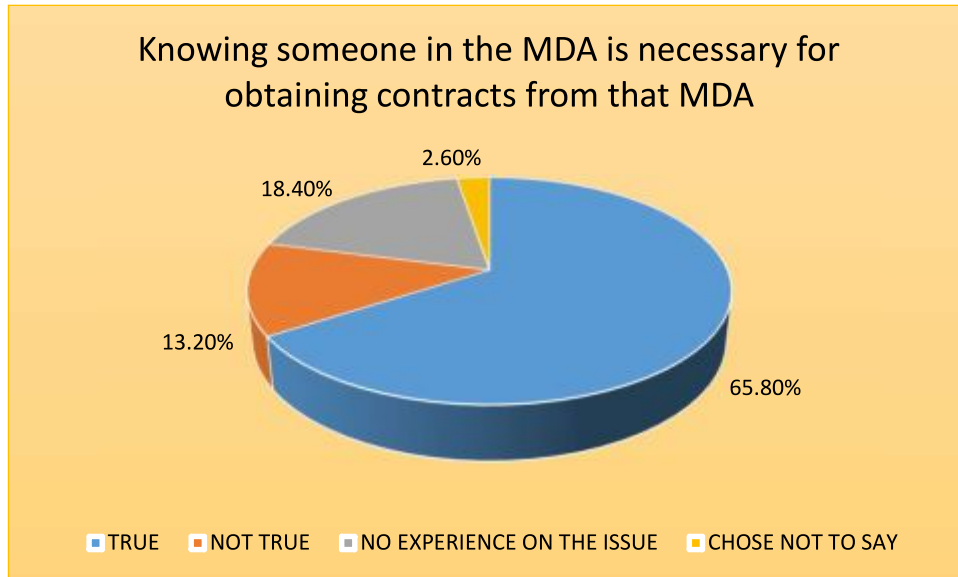
Figure 26: Use of Inferior Materials to Maximise Profit



Corrupt Conferment of Undue Advantage

While it is not unlawful to be amiable, it is a form of corruption to confer undue advantage on bidders.⁵⁰ The experience of 65.80% of private sector respondents in [Figure 27](#) is that it is necessary for the bidder to have someone helping from within the MDA before securing contracts from the said MDA.

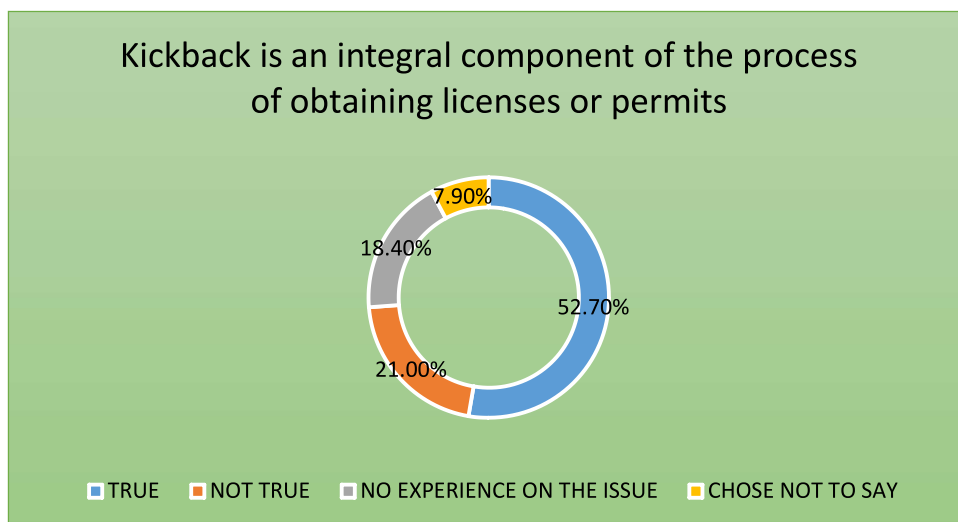
Figure 27: Conferment of Undue Advantage in the Contracting Process



Corrupt Issuance of Licences and Permits

Corruption is not limited to the aspects of contracts in goods and services. It also extends to issuances of licences and permits. [Figure 28](#) shows that 52.70% of business sector respondents reported that kickbacks are integrated into the process of obtaining licenses and permits.

Figure 28: Corrupt Issuance of Licences and Permits



⁵⁰ Section 19 of the Corrupt Practices and Other Related Offences Act No. 3 of 2000.

Grand Corruption in the Private Business Sector

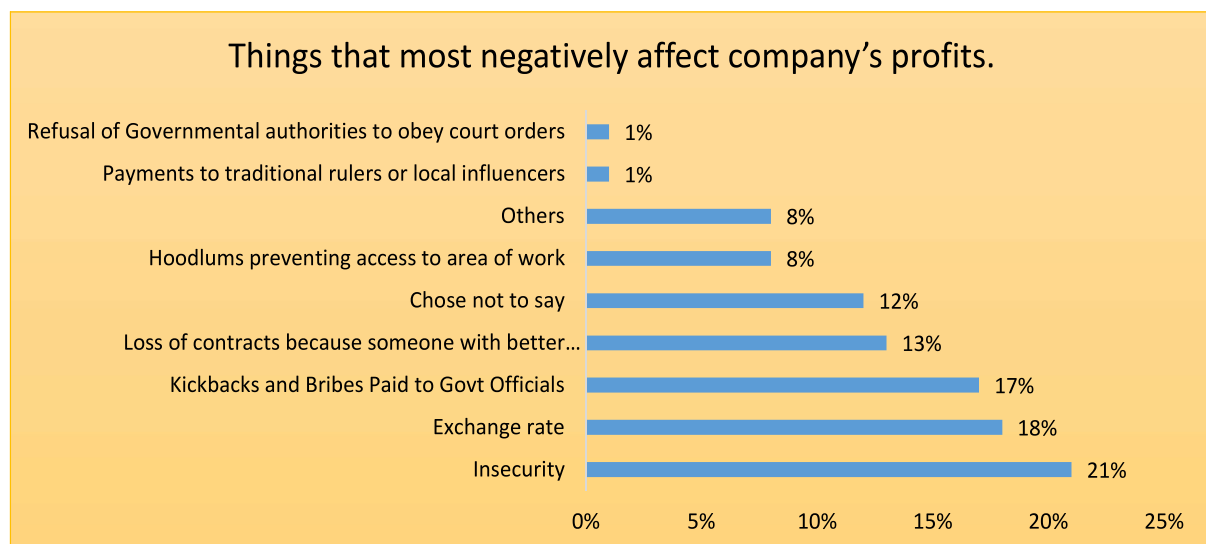
Corrupt practices are not limited to the public sector. There are incidents of corruption in the private sector as well. In this context, the NCI Survey asked respondents in the private business sector about corrupt practices relating to

- Fraudulent subcontracting
- Fraudulent change of contract purpose
- Corrupt invoicing
- Abuse of Corporate Social Responsibility schemes to gain corrupt advantage

Factors that most negatively affect business profits

As an introductory question, the survey respondents were asked to indicate the factors that most negatively affected their business profits. The respondents, in [Figure 29](#), identified insecurity as the topmost factor that negatively affects their profits. This is followed by issues relating to the currency exchange rate. The third and fourth items that most negatively affect business profits are monetary corruption (kickbacks and bribes paid to government officials) and abuse of political office to confer benefits, on cronies or relatives, in the award of government contracts. Although monetary and political corruption are third and fourth on the list of factors that affect business profits, when combined under the head of corruption, they jointly rank ahead of insecurity as the most detrimental to business profits.

Figure 29: Factors that Most Negatively Affect Business Profits

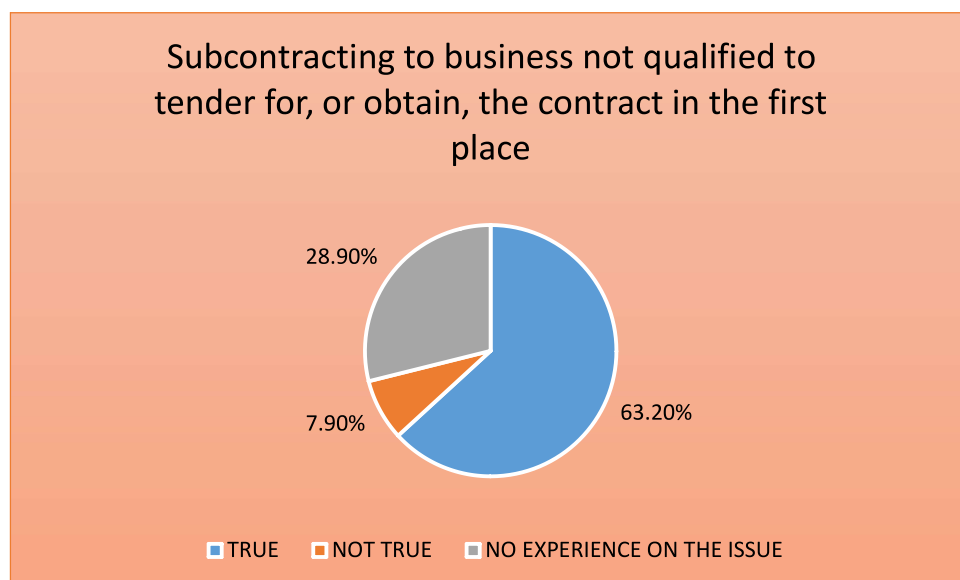


Fraudulent Sub-contracting

The laws regulating the award of contracts or require awardees to possess certain documents and fulfil conditions including registration of businesses, payment of taxes etc. In some instances, after obtaining the award of government contracts, the private sector entity to which the contract is awarded goes on to sub-award the contract to a business or person that was not qualified to bid for the contract at all. Inability to bid may have no relation to its technical capacity but is mainly related to not having required documents. In [Figure 30](#), 63.20% of private sector respondents reported that they have experienced the corrupt practice of fraudulent sub-contracting where a qualified company obtains a contract and afterwards subcontracts to a company who could not legitimately have obtained the contract on its own account.

The corrupt practice of fraudulent sub-contracting becomes more heinous when it is borne in mind that the initial contract could have been obtained through the support of political connections. [Figure 21](#) shows that 47% of private sector respondents reported that contracts are secured by the help of political connections.

Figure 30: Illegitimate Sub-contracting to Unqualified Company



Fraudulent Change of Payment Purpose

A significant number of private sector companies obtain governmental contracts but rather than apply contractual payments to the implementation of the contract, they divert the money to personal use. In [Figure 31](#), 55.20% of private sector respondents reported having experienced this corrupt practice. It is therefore not surprising that in [Figure 32](#), 55% of the respondents reported that private sector businesses receive payments for public contracts but fail to implement or complete the contracts.

Ordinarily this corrupt practice should not be possible because payment for contracts are usually made after certified completion. The existence of this widespread corrupt practice suggests that MDA personnel collude with private business owners to defraud

the government. See [Figure 25](#), where it is reported that 50% of private business sector respondents had facilitated MDA project visits in the last three years, leading to the possibility of paying the piper and dictating the tune.

Figure 31: Diversion of Contract Funds to Personal Use

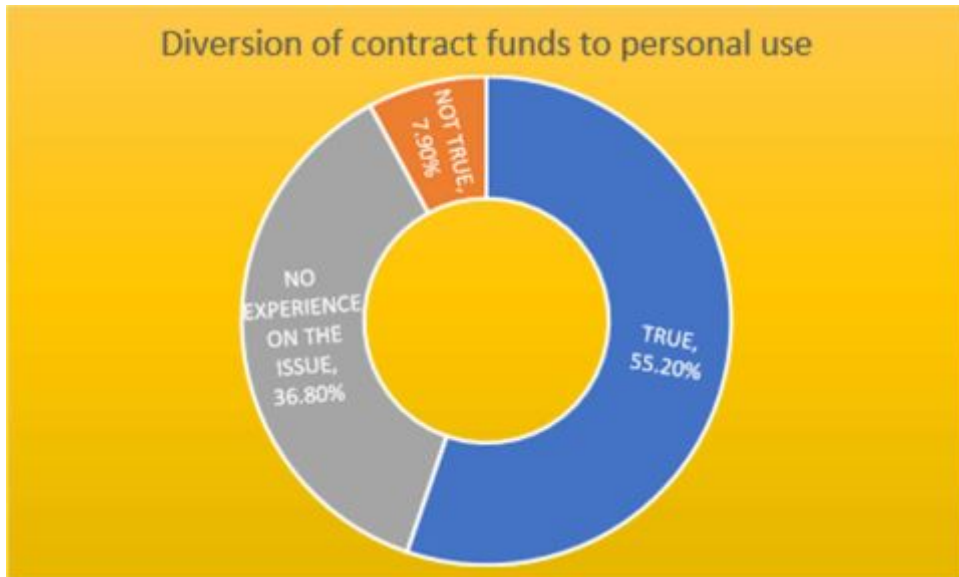
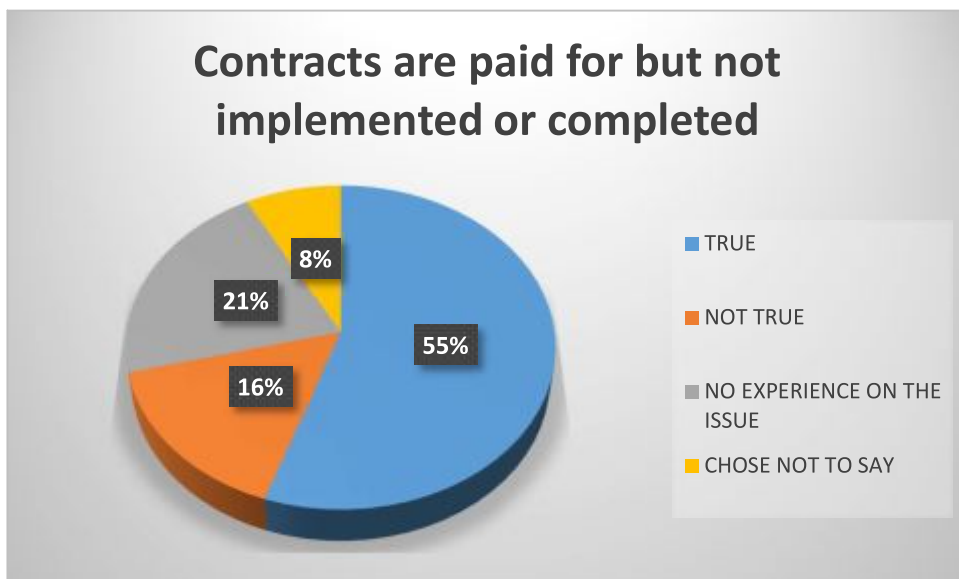


Figure 32: Receive Payments but Fail to Deliver Public Contracts



Corrupt Failure to Perform Public Contracts

[Figure 33](#) shows that 58% of private sector respondents reported that contractors obtain public contracts but do not proceed to implement the contracts as provided in the contractual terms. Rather, the contractor unilaterally decides when and how the contract will be executed. Among others, this has the effect of prolonging the existence of the need that should have been extinguished by the performance of the contract, thereby creating room for repeated budgeting for the said need. This corrupt practice requires the collusion of MDA personnel. It is indicative of a fraudulent bidding process.

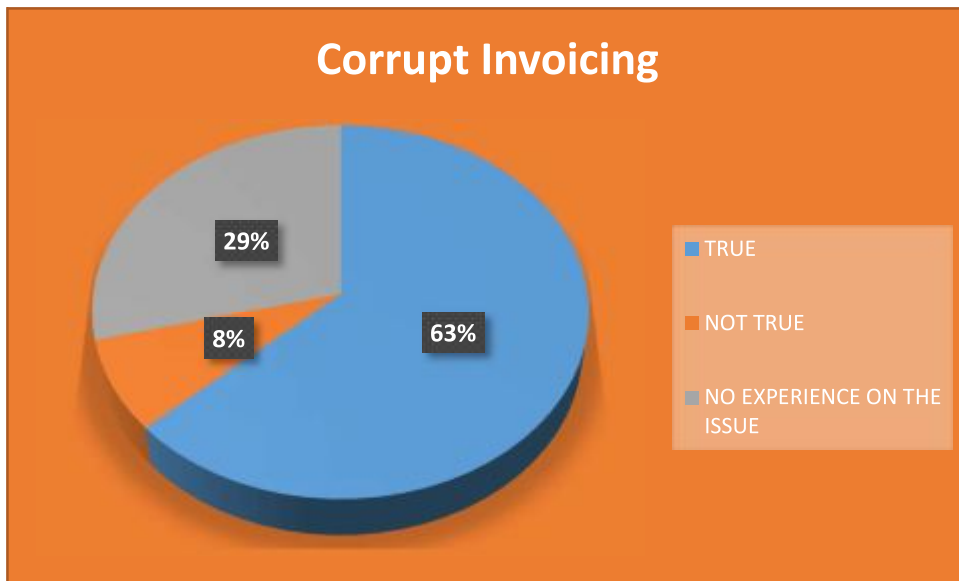
Figure 33: Fraudulent Alteration of Duration of Public Contracts



Building Corrupt Payments into Invoices

While businesses are at liberty to charge what they deem profitable, this freedom can be put to corrupt use where the business obtains governmental patronage through political corruption and thereby stifles competitive bidding processes. Having stifled the competition, the corrupt company charges a price that is unreasonably high in order to accommodate corrupt payments including kickbacks and gifts. In [Figure 34](#), 63% of private sector respondents reported that, in their experience, it is true that companies inflate their invoices in anticipation of kickbacks, bribes and other corrupt payments that will be part of the contracting process.

Figure 34: Corrupt Invoicing



Gifts to MDA Officials in the Guise of Corporate Social Responsibility (CSR)

Private sector businesses sometimes give monetary gifts to MDA officials and hide these gifts under the head of Corporate Social Responsibility (CSR). In [Figure 35](#), 24% of private business sector respondents indicated that they give monetary gifts to public officials as a form of CSR. While these payments may be recorded as CSR, they are prohibited by the code of conduct applicable to public officials.

Figure 35: Gifts to Public Officials Disguised under Corporate Social Responsibility (CSR) Schemes



Amount of Money Reported as Gifts to MDA Officials Under Private Business Sector Corporate Social Responsibility Schemes

As shown in [Table 9](#), 4 private sector respondents reported that they had given gifts to public officials under their CSR schemes. The total amount of money reported by the four respondents as gifts to MDA staff, in the past three years was ₦50,400,500.00 (Fifty Million, Four Hundred Thousand and Five Hundred Naira).

Table 9: Wrongful Gifts to Public Officials Under Corporate Social Responsibility Schemes

Type of Company/Business	Major Activities	Years of Experience	Role	Number of Respondents that Reported the Experience	Percentage of Respondents that Reported the Experience	Amount Reported in Naira	Percentage of Total Amount Reported
Limited	Arms and defence, Construction (roads, dams, tunnels, buildings, ships, etc.)	21 years and above	Chief Executive Officer (CEO) or Equivalent	1	1/4(25%)	50,000,000	99.20%
Limited	Construction (roads, dams, tunnels, buildings, ships, etc.), Consultancy, Telecoms and IT	1-5 years	Chief Executive Officer (CEO) or Equivalent	1	1/4(25%)	300,000	0.60%
Limited by Guarantee	Consultancy	6-10 years	Chief Executive Officer (CEO) or Equivalent	1	1/4(25%)	100,000	0.20%
Partnership	Agri /food industries	6-10 years	Senior Management	1	1/4(25%)	500 ⁵¹	0.001%
Total reported				4	4/100 (4.0%)	50,400,500	100.00%
Note							
Total Company respondents = 100							

⁵¹ The five hundred Naira does not amount to grand corruption but the response could not be excluded because responses of the interviewee on other variables related to grand corruption.

Nigeria Corruption Index

Using the data gathered in the Pilot survey, the experience of corruption in the executive, legislative, justice, and private sectors of Nigeria was quantified in monetary and non-monetary terms. Using the method explained in Annex 2, the sectoral corruption scores and Nigeria Corruption Index are contained Table 10. The scores in Table 10 are on a scale of 0 to 100. A score of 0 indicates that the sector or entity is “**absolutely not corrupt**”, while a score of 100 indicates that it is “**absolutely corrupt**”.

Table 10 shows that the overall monetary corruption score for all the sectors surveyed is 47, while the overall non-monetary corruption score is 49. The average of these figures becomes the score for the Nigeria Corruption Index, which is 48. Figures 36 to 47 below show the monetary, non-monetary and overall scores for each sector. Figures 48 and 49 show the overall monetary and non-monetary score for all sectors. Figure 50 shows the Nigeria Corruption Index.

Table 10: Sectoral Corruption Scores and Nigeria Corruption Index

Sector	Monetary Corruption Score	Non-Monetary Corruption Score	Overall Sectors' Corruption Score
Legislative	27	55	41
Executive	33	51	42
Private Business	33	55	44
Justice	93	33	63
Overall Score	47	49	48

Figure 36: Legislative Sector Monetary Corruption Score

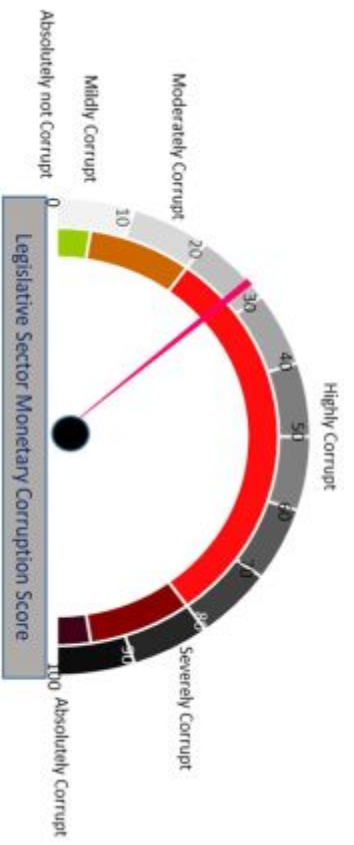


Figure 39: Executive Sector Monetary Corruption Score

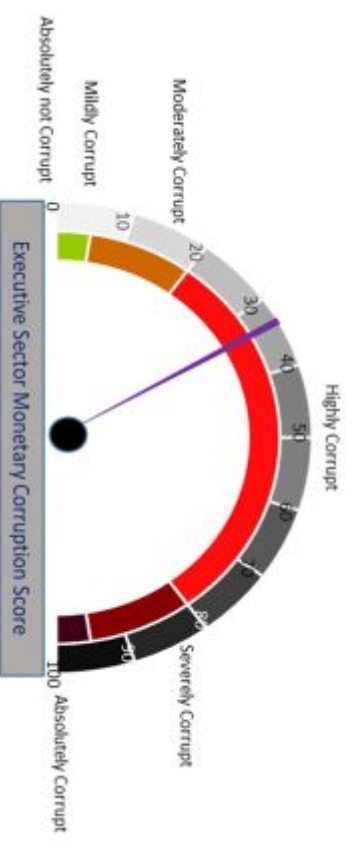


Figure 37: Legislative Sector Non-Monetary Corruption Score

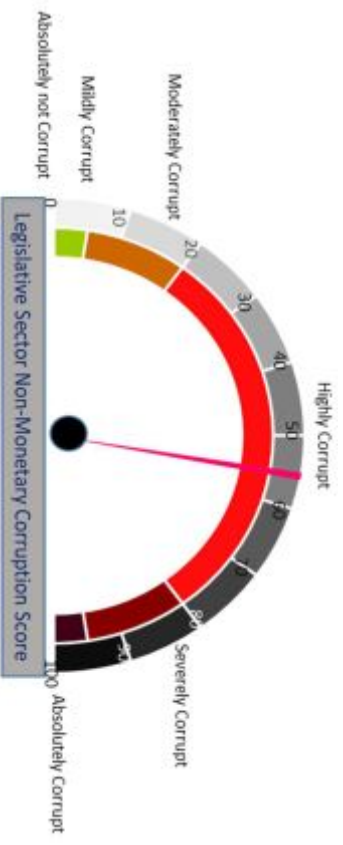


Figure 40: Executive Sector Non-Monetary Corruption Score

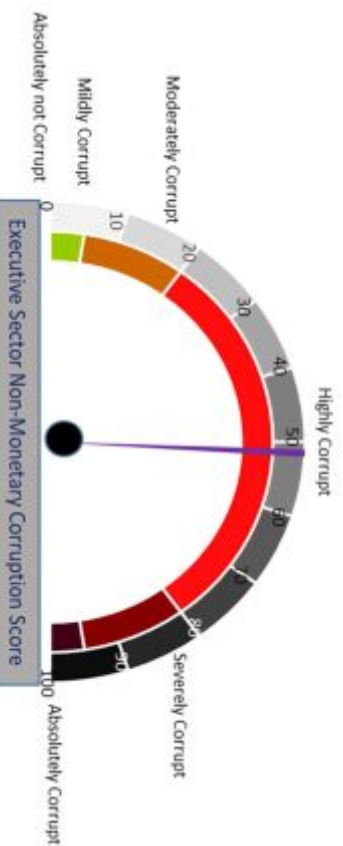


Figure 38: Legislative Sector Overall Corruption Score

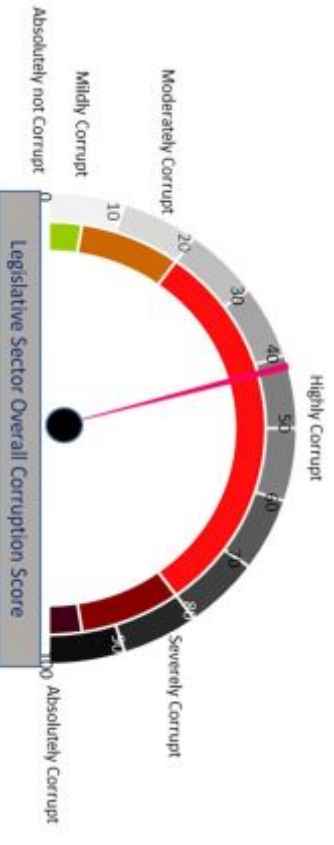


Figure 41: Executive Sector Overall Corruption

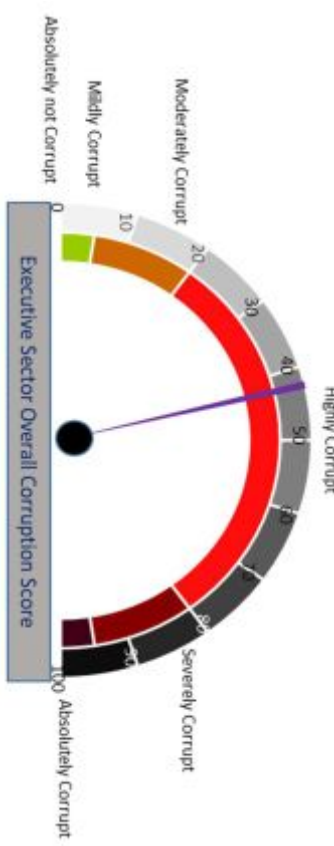


Figure 42: Private Business Sector Monetary Corruption Score

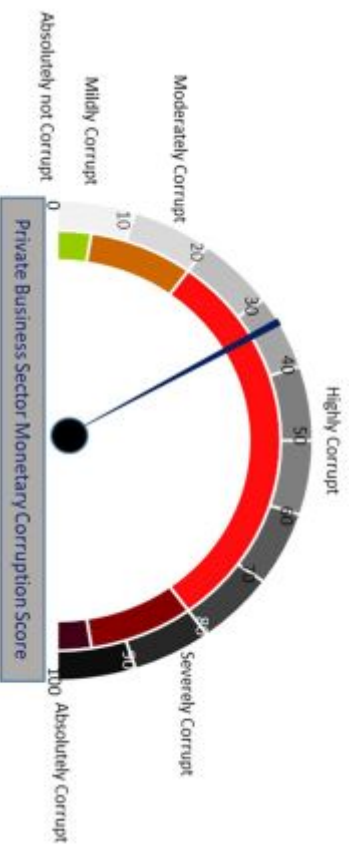


Figure 43: Private Business Sector Non-Monetary Corruption Score

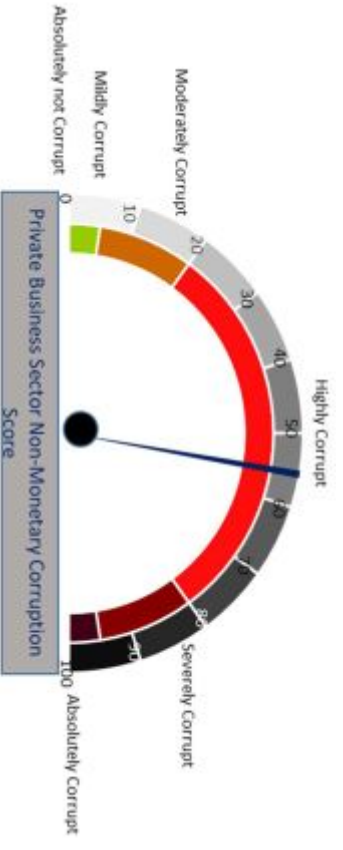


Figure 44: Private Business Sector Overall Corruption Score

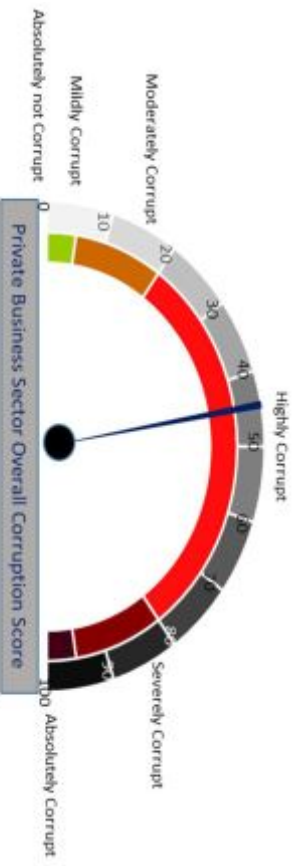


Figure 45: Justice Sector Monetary Corruption Score

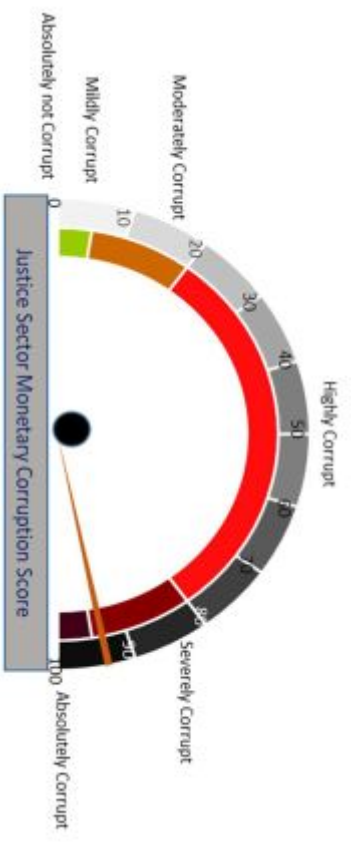


Figure 46: Justice Sector Non-Monetary Corruption Score

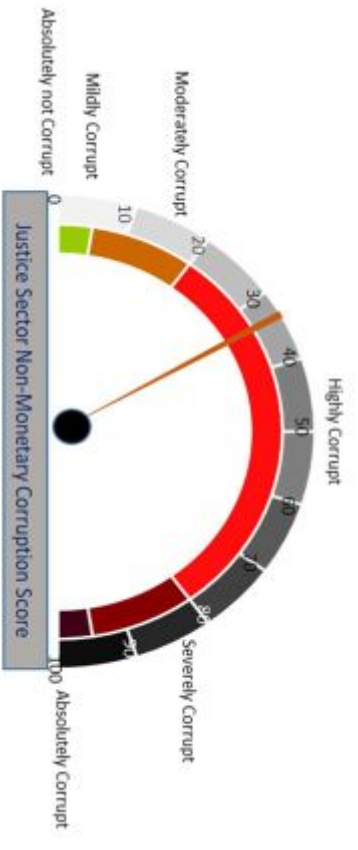


Figure 47: Justice Sector Overall Corruption Score

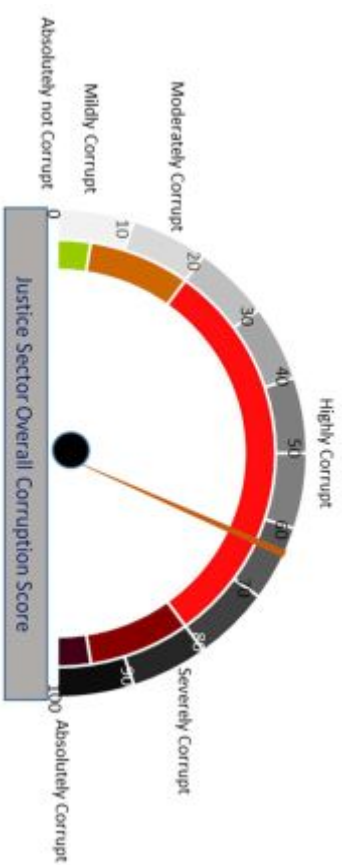


Figure 48: All Sectors Monetary Corruption Score

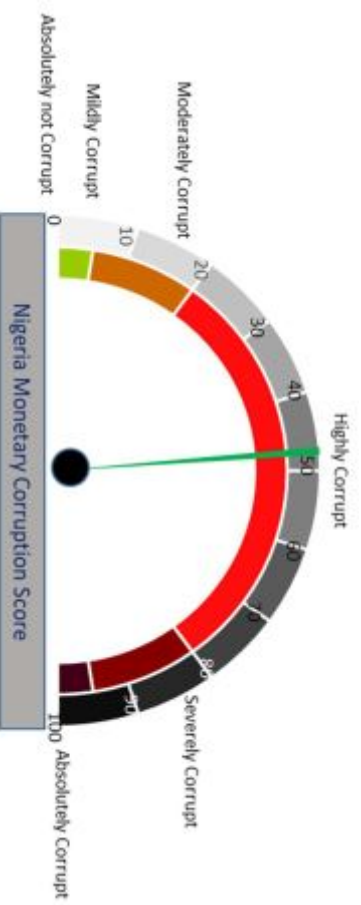


Figure 49: All Sectors Non-Monetary Corruption Score

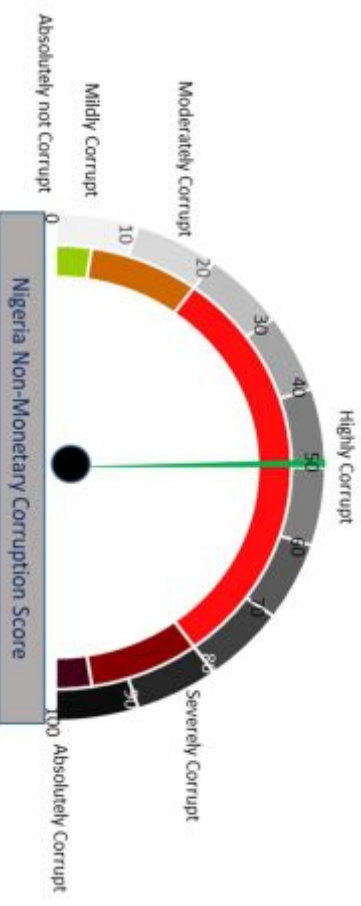
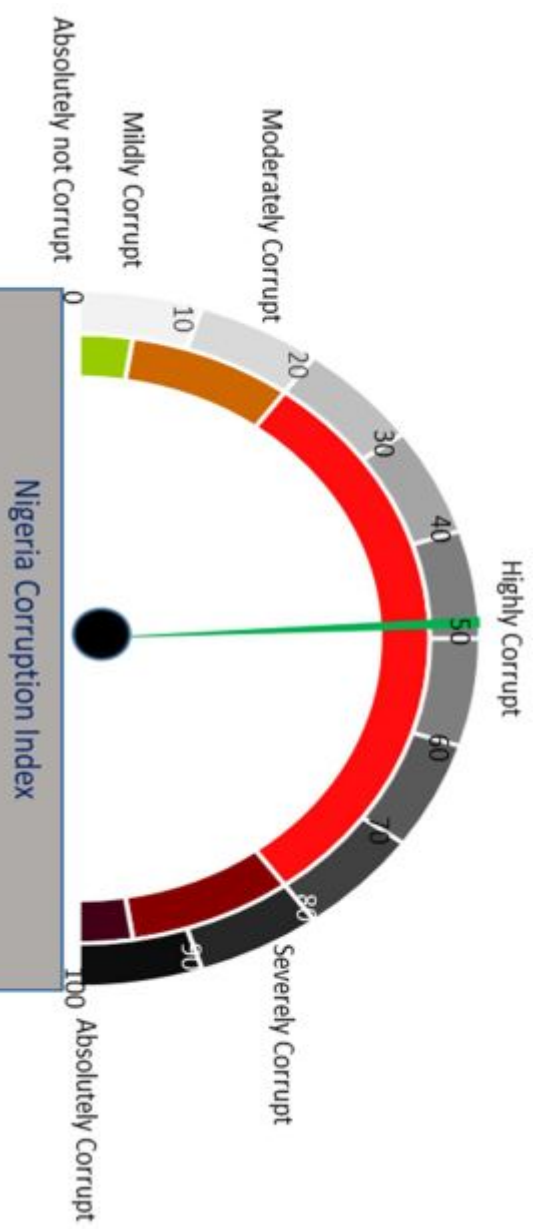


Figure 50: Nigeria Corruption Index



Conclusion and Recommendations

The conclusion of the full survey will create the best context for making detailed recommendations to stakeholders. Nevertheless, for the time being, the following recommendations can be offered:

Policy and Allied Recommendations

S/N	Stakeholders	Recommendations
1.	Chief Justice of the Federation; Heads of Court; Minister of Justice	Conduct an in-depth study of the factors eroding the independence of the judiciary in relation to the fight against corruption. Develop or identify steps, processes and procedures that are within the powers of the Judiciary to protect the independence of the judiciary. Develop or identify recommended interventions by other relevant stakeholders. Take the findings of this survey into account when conducting the review of laws and procedures for enforcement of judgments.
2.	Conventional and New Media; Civil Society Organisations	Abide by best practice of separating facts, allegations and opinions. Endeavour to follow up cases and report outcomes not just commencements.
3.	Ministry of Justice	Develop a national policy to guide the interaction of executive agencies of government with the judiciary. Among others, the policy should stipulate the things that amount to reprehensible conduct and the attendant sanctions.
4.	Secretary to the Government of the Federation (SGF); Head of Service of the Federation (HSoF); MDAs; National Assembly	Develop a national policy to guide the interaction of MDAs and the legislative arm of government.
5.	SGF; HsoF; MDAs; All	Publish outcome of advertised recruitment exercises.
6.	SGF; HsoF; MDAs;	Develop transparent, public sector-wide, Performance Rating System (PRS) for evaluating private companies doing business with the Government.
7.	National Assembly	The budget of the legislative arm should be more transparent. Adequate provisions should be made for oversight functions including the inspection of projects.
8.	National Assembly	Develop policy document and regulations for conducting oversight visits and project inspections.
9.	National Assembly	Develop policy on declaring and avoiding conflicts of interest.

10.	ACAs	Develop capacity to decipher corrupt practices disguised in centralised conduct. Create awareness on the ethics and law governing collecting gifts in the public service.
11.	MDAs ACAs	Monitor the implementation of procurement laws and regulations.
12.	ICPC	ICPC to follow up on the recommendations of Systems Reviews (SRs) and Corruption Risk Assessments (CRAs). Time limits for carrying out SR and CRA recommendations should be strictly enforced.
13.	ICPC Other ACAs	Enhance prevention and enforcement strategies to take account of joint Public Private Perpetration

Technical Recommendations to the NCI Research Team towards the full Survey

S/N	Recommendations
1.	Reach out to respondents through their associations and forums. Online survey links can be shared through these bodies to members. This may, to some extent, reduce the disinclination of respondents to share their experiences.
2.	Collaborate with more Civil Society Organisations.
3.	Encourage wider ownership of the NCI across sectors and sub-national entities.
4.	Managerial status of justice sector respondents was not indicated. Include questions to indicate the managerial status of justice sector respondents and those from all other sectors to be interviewed for the full survey.
5.	Identify corrupt practices that cut across sectors and process them as variables to be measured in the identified sectors.
6.	Frame the questionnaires and questions in a manner that will make respondents willing to report their experience.
7.	Without unduly elongating the questionnaires, include a few more relevant perception questions.
8.	Start data collection early.
9.	Be mindful of peculiarities within sectors in drafting questions and conducting interviews.
10.	Provide power banks (extra batteries) for CAPI devices
11.	Try to exclude responses that fall far below the threshold of grand corruption

ANNEX 1 – Survey Methodology

Research Design

“Corruption is, by its nature, a covert activity. It makes accurate information hard to obtain and gives many of those involved a motive for distorting or falsifying any information they do provide.”⁵² Bearing this in mind, the NCI survey is designed to adopt a mixed method approach of combining quantitative and qualitative approaches. Qualitative data for the survey is obtained from focus group discussions, in-depth interviews and the desk review of legal, administrative and institutional texts including Budgets passed by the legislature and other applicable laws, annual reports of MDAs, and other relevant documents.

Researchers were trained to collect quantitative data using Computer Assisted Personal Interviewing (CAPI) or Computer Assisted Telephone Interviewing (CATI).

Due to the high level of administration at which it occurs, and quantum of money or resources involved, everyday people do not usually participate in, or experience, grand corruption. The NCI Survey therefore cannot be a household survey since it seeks information from citizens and non-citizens who have experience of grand corruption in Nigeria. Rather, the NCI survey focuses on persons who interact with senior level officials for transactions involving huge sums of money or the exercise of high-level power.

With a view to collecting data on grand corruption in both the public and private sectors, the public sector is broadly divided into three components of executive, legislative and judiciary. The private sector is divided into businesses that transact or deal with the executive, legislative or judiciary. In this context, the target population was to include:

- People, companies and institutions involved in transactions, processes and procedures where grand corruption may occur. This will include businesses dealing with transactions and procurements involving more than ₦5,000,000,00 (Five Million Naira) at national and subnational levels.
- Personnel of MDAs who are involved in procurement, recruitment, discipline, human resources, accounts, administration and policy implementation.
- Legal practitioners, judges, magistrates, courts staff, litigants, and people in conflict with the law.
- Senior personnel of Civil Society Organisations involved in dealing with issues of grand corruption in the public and private sector.
- Administrative and political personnel of national and subnational legislative bodies.

Due to COVID-19 restrictions, researchers could not go round the country as initially designed. Rather than suspend the survey, the decision was made to adapt and try to

⁵² UNODC, “The United Nations Anti-Corruption Toolkit,” (UNODC, 2004).

remotely reach out to the respondents. The respondents were thus contacted through two ways. Some respondents were contacted by telephone and while others were requested to fill the questionnaire online. Eventually, respondents were categorised into three sectors namely Justice, MDAs and Business. Questions were asked from all three sectors to obtain responses on experience of grand corruption in the public sector covering the executive, legislative and judicial arms of government. Questions relating to the experience of grand corruption in the private sector were mostly directed at the business sector respondents.

Prior to the COVID-19 disruptions, in 2019, the research team from ACAN had worked with members of the project advisory team consisting of representatives from Academia, Anti-Corruption Agencies, Civil Society Organisations, and the National Bureau for Statistics. Among other things, the project advisory team advised on the drafting of the survey instruments. In January 2020 the concept and methodology were presented at an event for academics, organised by the UNODC.⁵³ The data gathering, which was postponed from March 2020 to June 2020, eventually took place from 22 June – 24 July 2020.

Sampling Method

The NCI Survey is to use cluster sampling in selecting the respondents. According to the purpose of the survey, at the Pilot stage, the clusters were drawn to target people who interact with senior level government officials in transactions involving:

- ₦5,000,000.00 (Five Million Naira) and above.
- the exercise of high-level power.
- the exercise of central functions of government.

This population was divided into clusters along the following lines:

- Serving judges who handle trials or appeals in corruption and election cases.
- Court registry officials.
- Lawyers entitled to appear before judges who handle trials or appeals in corruption and election cases.
- Public officers above grade level 9.
- Private businesses or companies that have been awarded public contracts valued at ₦5,000,000.00 (Five Million Naira) and above.

A list containing email addresses and telephone numbers of potential respondents was drawn up, using publicly available sources including governmental website, websites of private commercial associations and chambers, websites of Courts, reports and bulletins of MDAs, lists of attendees of relevant programmes and conferences, and electoral registers of professional bodies. The list contained either or both telephone numbers and email addresses of 35,500 (Thirty-Five Thousand Five Hundred) people or companies. The eventual survey population emanated from this list. Every person or company in the list fell into, at least, one or clusters listed above.

⁵³ Focus group meeting on the 2nd corruption survey report in Nigeria, held at UN Building Abuja on 22 January 2020.

Sample Size

The NCI adopted the Cochran approach to sample size determination. The Cochran (1977) formula to calculate a representative sample size for proportions from infinite populations is given below;

$$n_0 = \frac{z^2 pq}{d^2} \quad (i)$$

Where, n_0 is the sample size from infinite population, z is the selected critical value of desired confidence interval/level, p is the estimated proportion of an attribute that is present in the population, $q = 1 - p$ and d is the desired level of precision (this is another way to express **margin of error**).

Given equation (i), the Cochran table or sample size selection calculated for different confidence levels and precision is given below in Table i.

Table i: Cochran (1977) Sample Size for Infinite Population

Confidence level	Sample size for infinite population (n_0)		
	$d = \pm 3\%$	$d = \pm 5\%$	$d = \pm 10\%$
95%	1067	384	96
99%	1849	666	166

In the Cochran formula, if the population is finite, then the infinite sample size n_0 can be reduced slightly. This is because a very large population provides proportionally more information than a smaller population. The formula to calculate the finite sample size is given in equation (ii);

$$n = \frac{n_0}{1 + \frac{(n_0 - 1)}{N}} \quad (ii)$$

Here, n_0 is the sample size derived from Table (1) and N is the finite population size.

The NCI had a target population of 35,500 individuals to interview (comprising of 2,000 private businesses dealing with government, 4,500 high officials of MDAs, and about 29,000 justice sector practitioners – judges, lawyers, and court staff). To select an adequate sample with minimal margin of error and good confidence level, we placed our margin of error at $d = \pm 3\%$ confidence level at 95%, that is;

$$N = 35,500, d = \pm 3\%, n_0 = 1067$$

$$\begin{aligned} n &= \frac{n_0}{1 + \frac{(n_0 - 1)}{N}} \\ n &= \frac{1067}{1 + \frac{(1067 - 1)}{35000}} \\ n &= \frac{1067}{1.0300} \\ \therefore n &= 1036 \end{aligned}$$

In summary, at least 1,036 (One Thousand and Thirty-Six) respondents were required for scientific generalisation of the NCI Pilot survey findings. The survey subsequently was done, interviewing 1,400 (One Thousand Four Hundred Respondents).

Cluster Weight and Sampling Weight

In probability sampling, each possible sample has a known probability of being the chosen sample. For cluster sampling that we adopted here, each cluster in the population has a known probability of appearing in the selected sample. The probability of cluster i being included in the sample is calculated as thus;

$\pi_i = P(\text{cluster } i \text{ in sample}) = W_i = \frac{C_i}{N}$ where C_i is the total cluster population and N is the total population

The probabilities π_i were known before the survey commenced, and were all greater than one ($\pi_i > 0$ i.e. private business = $\frac{2000}{35500} = 0.056$, justice = $\frac{29000}{35500} = 0.817$, and MDAs = $\frac{4500}{35500} = 0.127$) for every cluster in the population. Within this framework, we can quantify how likely it is that our sample is a “good” one by comparing the cluster weights against the sample weights.

Sampling weight for our cluster sampling is therefore, the ratio of the number sampled from each cluster to the total sample size and is given by; $W_i = \frac{n_i}{n}$ where n_i is the number sampled from a particular cluster and n is the total sample size for all clusters.

Thus, sampling weight of cluster i can be interpreted as the number of population units represented by cluster i ; consequently, each cluster sampling weight becomes $W_i = \frac{1}{\pi_i}$ thereby, making every unit in the sample a representation of itself and $\frac{N}{n-1}$ of the unsampled cluster units in the population.

Eventually, the clusters were represented in our sample of 1400 respondents as;

$$W_1 = \text{private business} = \frac{100}{1400} = 0.071,$$

$$W_2 = \text{justice} = \frac{901}{1400} = 0.64, \text{ and}$$

$$W_3 = \text{MDAs} = \frac{399}{1400} = 0.29$$

The above indicate that all clusters were fairly represented in the sample size selection.

Annex 2: Indexing Methodology

Data collection

The NCI survey data was collected using three survey tools that were systematically designed to measure grand corruption within the three arms of government (viz: Executive, Legislative and the Judiciary) and the private business sector. In all the three tools, grand corruption was measured in both monetary and non-monetary forms. The survey was conducted during Covid-19 outbreak and respondents were reached using CATI (Computer Assisted Telephone Interviewing) and Google forms. Respondents were clustered into sectors and their numbers and emails were obtained from publicly available sources. Respondents were randomly selected and interviewed from the phone numbers and emails obtained according to the clusters created (see sampling method in Annexure 1). The responses elicited were completely based on experience of the respondents. For the monetary measurement, respondents who had experienced the corrupt practice indicated an approximate amount of money involved. The non-monetary measurement typically categorized respondents into two, those who experienced the corrupt practice and those who had not experienced it. The responses were used for creating corruption scores for the three arms of government and the private business sector in Nigeria. The responses obtained and used for the scoring are presented in Tables A and B for the monetary and non-monetary variables, respectively.

Table A: Ascription of Monetary Values to Sectors

SECTOR	MONETARY VARIABLE SOURCE	AMOUNT (₦)
Executive & Private Business Sectors	Moneys spent by companies on MDAs project inspections	317,770,500
Legislative & Private Business Sectors	Money spent by private businesses to facilitate project inspection by legislators	20,000,000
Executive & Private Business Sectors	Moneys due to governmental accounts paid into private accounts	500,000,500
Executive & Private Business Sectors	Amount of money given as general gifts to MDA officials by the private business sector	50,400,500

SECTOR	MONETARY VARIABLE SOURCE	AMOUNT (A)
Justice Sector	Value of money involved in bribery in the justice sector - Paid by Lawyers	5,733,986,000
Justice Sector	Value of money involved in bribery in the justice sector - Offered to Judges	3,699,664,000
Justice Sector	Value of money involved in bribery in the justice sector - Offered to court staff	24,000,000
Executive & Private Sectors	Amount of money received by MDAs as gifts from private business sector for contract related work	3,535,750
Executive & Legislative Sectors	Money spent on facilitating oversight visits	86,148,000

Note: The total amount per sector is the sum of all money ascribed to the sector.

Total amount per sector (A): *Executive = 957,855,250*

Legislative = 106,148,000

Justice = 945,7650,000

Private Business = 891,707,250

Table B: Description of Non-Monetary Variables and Score Per Sector

SECTOR	NON-MONETARY VARIABLE SOURCE	EXPERIENCE SCORE
Justice	Judge or Court Staff demanded bribe from Lawyer	15.5%
Justice	Offer of bribe to Judge to induce favourable judgement	12.9%
Justice	Offer of bribe to Court Staff to influence the outcome of judicial process	24%
Justice	Fraudulent Alteration of Court Documents	74.5%
Legislative & Executive	Legislative oversight visit facilitated by MDA in the last three years	79%
Legislative & Private Business	Private Business facilitates project inspections by legislators	19%
Executive & Private Business	Office received gift(s) from contractor in appreciation of official work done	12%
Executive & Private Business	Private Business gifts to government officials disguised under corporate social responsibility schemes	24%
Executive	Award of MDAs contracts influenced by political connections	21%
Private Business	Public contracts won by Private Businesses through political connections	47%
Private Business	Companies requested to pay money due to governmental into private bank account	8%
Executive	Employment into MDAs on the strength of political connections	45%

SECTOR	NON-MONETARY VARIABLE SOURCE	EXPERIENCE SCORE
Executive & Private Business	Private business facilitates project visits or inspections by MDA	50%
Private Business	Using substandard materials to reduce cost of project delivery	60%
Executive & Private Business	Private Business relies on undue influence of MDA official in obtaining contracts from the MDA	65.8%
Executive & Private Business	Kickbacks in obtaining licenses or permits	52.7%
Private Business Sector	Subcontracting to business not qualified to tender for, or obtain, the contract in the first place	63.2%
Private Business Sector	Diversion of contract funds to personal use	55.2%
Private Business Sector	Contracts are paid for but not implemented or completed	55%
Private Business Sector	Contracts are executed at the contractors' will and time	58%
Private Business Sector	Building corrupt payments into invoices	63%

Data Exploration and Standardization

Exploration: Since the survey used different tools measuring corruption in different sectors with varying sample sizes and many unidentical measures (variables) across the sectors, the results were explored to check for possible outliers. The monetary variables were summed up according to sectors as given in Table A and the non-monetary variables were treated as individual sources rating the respondents' corruption experience from identified variables across sectors. Both monetary and non-monetary variables were plotted using the Box and Whisker to display the variation within each set. The plots are given in Figures A and B for monetary and non-monetary variables, respectively.

Figure A: Box and Whisker of Monetary Variables

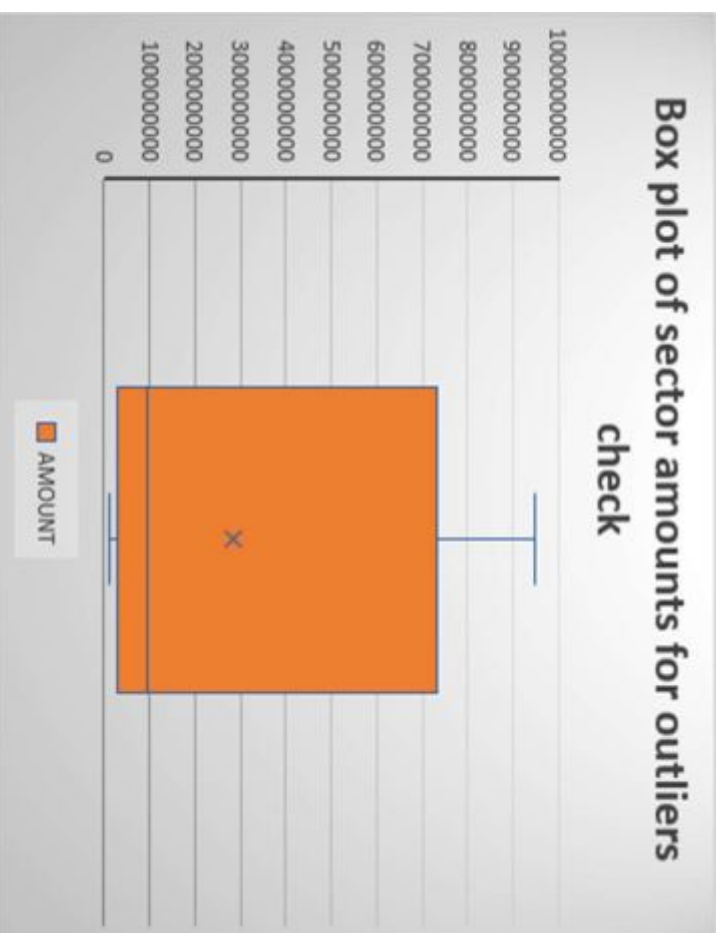
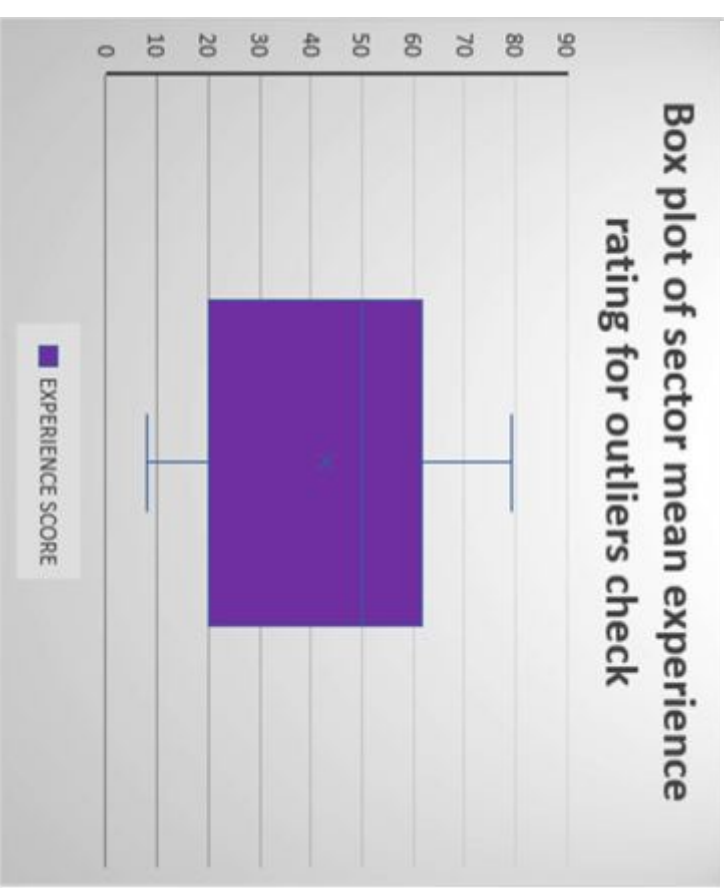


Figure B: Box and Whisker of Non-Monetary Variables



The two figures (A and B) both plotted within 1.5 standard deviations from the mean with no outlier recorded. This is an indication that the data from both monetary and non-monetary variable was not heavily skewed. Thus, the data was converted to standard normal distribution with mean of zero (0) and variance of one (1).

Standardization: The resulting total amount per sector for the monetary variables and experience ratings from all non-monetary variables were converted to standard normal scores (Z-Scores) using the formula:

$$Z = \frac{X - \bar{X}}{\delta}$$

Where: Z is the standard score, X is the sector/variable score, \bar{X} is the mean of X and δ is the standard deviation of X .

Aggregating scores and conversion to percentages

As shown in Tables C & D, the standard scores of the monetary and non-monetary variables were converted to percentages. These percentages represent the corruption scores of the variables reported by respondents using areas under the cumulative normal curve. For the monetary values, the percentages represent the score per sector as captured while for the non-monetary values, the score represent corruption score per variable. Afterwards, the non-monetary variables scores were then separated according to sectors, aggregated, and converted to percentages. The formula below was used to aggregate and convert the scores to simple percentages;

$$\text{Sector corruption Index} = \frac{\sum_i^n \phi(Z)}{n} \times 100\%$$

Where: $\sum_i^n \phi(Z)$ is the sum of areas under the curve for all variables relating to a particular sector, and n is the number of the variables involved for the given sector. These percentages represent the corruption experience score for each sector in Tables C & D respectively. The average of the monetary and non-monetary scores of each sector constitutes the overall corruption score of each sector as seen in Table E. The Nigeria corruption index in Table F is derived from the mean score of all the sectors.

Table C: Calculation of Monetary Score Per Sector

SECTORS	AMOUNT	MEAN	SD	Z-SCORE	SECTOR SCORE = AREA COVERD BY Z-SCORE (%)
Executive	957855250	2853340125	4419835591	-0.428858684	33
Legislative	106148000	2853340125	4419835591	-0.6215598	27
Justice	9457650000	2853340125	4419835591	1.494243335	93
Private Business	891707250	2853340125	4419835591	-0.443824852	33

Table D: Calculation of Non-Monetary Score Per Sector

SECTOR	NON-MONETARY VARIABLE	EXPERIENCE RATING	MEAN	SD	Z-SCORE	VARIABLE SCORE = AREA COVERD BY Z-SCORE (%)
JUSTICE	Judge or Court Staff demanded bribe from Lawyer	15.5	43	23	-1.19565	12
JUSTICE	Offer of bribe to Judge to induce favourable judgement	12.9	43	23	-1.3087	10
JUSTICE	Offer of bribe to Court Staff to influence the outcome of judicial process	24	43	23	-0.82609	20
JUSTICE	Fraudulent Alteration of Court Documents	74.5	43	23	1.369565	91

SECTOR	NON-MONETARY VARIABLE	EXPERIENCE RATING	MEAN	SD	Z-SCORE	VARIABLE SCORE = AREA COVERD BY Z-SCORE (%)
LEGISLATIVE & EXECUTIVE	Legislative oversight visit facilitated by MDA in the last three years	79	43	23	1.565217	94
LEGISLATIVE & PRIVATE BUSINESS	Private Business facilitates project inspections by legislators	19	43	23	-1.04348	15
EXECUTIVE & PRIVATE BUSINESS	Office received gift(s) from contractor in appreciation of official work done	12	43	23	-1.34783	9
EXECUTIVE & PRIVATE BUSINESS	Private Business gifts to government officials disguised under corporate social responsibility schemes	24	43	23	-0.82609	20
EXECUTIVE	Award of MDAs contracts influenced by political connections	21	43	23	-0.95652	17
PRIVATE BUSINESS	Public contracts won by Private Businesses through political connections	47	43	23	0.173913	57
PRIVATE BUSINESS	Companies requested to pay money due to governmental into private bank account	8	43	23	-1.52174	6
EXECUTIVE	Employment into MDAs on the strength of political connections	45	43	23	0.086957	53
EXECUTIVE & PRIVATE BUSINESS	Private business facilitates project visits or inspections by MDA	50	43	23	0.304348	62
PRIVATE BUSINESS	Using substandard materials to reduce cost of project delivery	60	43	23	0.73913	77

SECTOR	NON-MONETARY VARIABLE	EXPERIENCE RATING	MEAN	SD	Z-SCORE	VARIABLE SCORE = AREA COVERED BY Z-SCORE (%)
EXECUTIVE & PRIVATE BUSINESS	Private Business relies on undue influence of MDA official in obtaining contracts from the MDA	65.8	43	23	0.991304	84
EXECUTIVE & PRIVATE BUSINESS	Kickbacks in obtaining licenses or permits	52.7	43	23	0.421739	66
PRIVATE BUSINESS SECTOR	Subcontracting to business not qualified to tender for, or obtain, the contract in the first place	63.2	43	23	0.878261	81
PRIVATE BUSINESS SECTOR	Diversion of contract funds to personal use	55.2	43	23	0.530435	70
PRIVATE BUSINESS SECTOR	Contracts are paid for but not implemented or completed	55	43	23	0.521739	70
PRIVATE BUSINESS SECTOR	Contracts are executed at the contractors' will and time	58	43	23	0.652174	74
PRIVATE BUSINESS SECTOR	Building corrupt payments into invoices	63	43	23	0.869565	81

Note: Each sector's corruption score is the average of all scores ascribed to the sector.

Sector corruption Score:

Justice = 33%

Private Business = 49%

Executive = 51%

Legislative = 55%

Table E: Sectors' Overall Corruption Score

SECTORS	Score (%)
Justice	63
Executive	42
Private Business	44
Legislative	41

Note: Overall sector score is the average of the monetary and non-monetary scores for each sector.

Table F: Overall Monetary and Non-Monetary Corruption Score/ Nigeria Corruption Index

SECTORS		
Overall Monetary Corruption Score	47%	
Overall Non-Monetary Corruption Score	49%	
Nigeria Corruption Index	48%	

Note: The overall (national) monetary and non-monetary corruption score is the average of the monetary and non-monetary scores across all sectors. The NCI is the average of the overall (national) monetary and non-monetary corruption scores.

Summary of the Indexing Methodology

- ✓ We identified sectors in Nigeria.
- ✓ We developed tools to systematically measure corruption experience across the sectors in monetary and non-monetary terms.
- ✓ We collected the data on corruption experience.
- ✓ We standardised the responses and converted the standardised scores to percentages which were the corruption experience scores for the sectors.
- ✓ The overall corruption scores per sector were derived from averaging the monetary and non-monetary scores of each sector.
- ✓ The overall (national) monetary and non-monetary scores were obtained by taking the mean of monetary and non-monetary scores across sectors.
- ✓ Finally, the Nigeria Corruption Index was calculated by taking the mean of the overall (national) monetary and non-monetary scores.



20/20 *A New Vision*

