

The Facts Behind the Corruption Perception Index

*What the data tells us about Nigeria's
corruption ranking*

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TUGAR Technical
Unit on
Governance &
Anti-Corruption
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Enhancing Transparency and Accountability and improving Nigeria's ranking in the Transparency International Corruption Perception Index (TI-CPI)

Review and Analysis of Nigeria's Ranking in the TI-CPI for 6 years, 2019 - 2024

1. Introduction

The Corruption Perceptions index (CPI), published annually since 1995 by Transparency International (TI) has become a widely used and cited indicator of the level and severity of corruption in different countries. The CPI measures the perceived levels of public sector corruption in 180¹ countries and territories around the world². The CPI ranges from a score of zero, implying highly corrupt, to a score of 100, implying very clean. Thus, countries with scores close to zero are considered to be very corrupt, while countries with scores close to 100 are considered to not be corrupt. The CPI generally indicates that countries with scores close to 100 are democratic countries with strong rule of law, while authoritarian countries have lower scores.

Nigeria featured on the CPI index for the first time in 1996. In the years that followed, the country only climbed out of the bottom of the ranking for the first time in 1998 but has ranked close to the bottom since then. Nigeria's annual performance and rankings on the Corruption Perception Index (CPI) have often generated different reactions, from government, civil society, and the citizens. Beyond the sentiments and views expressed by different constituencies, however, there appear to be limited understanding from some stakeholders of the process and issues that constitute the countries' scores that inform the ranking. This paper provides a review and analysis of Nigeria's rating in the CPI over the period 2019 to 2024.

¹The number of countries covered by Transparency International in the Corruption Perception Index reached 180 countries in 2007.

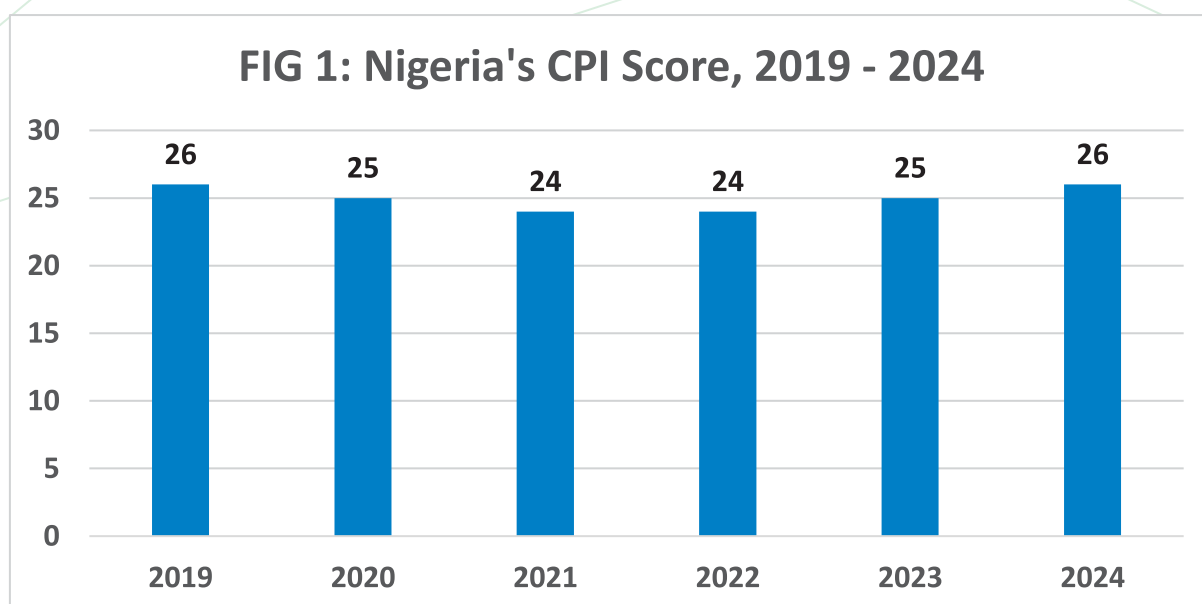
²Transparency International (2024) Corruption Perceptions Index 2023

2. Review of Nigeria's CPI Scores – 2019 to 2024

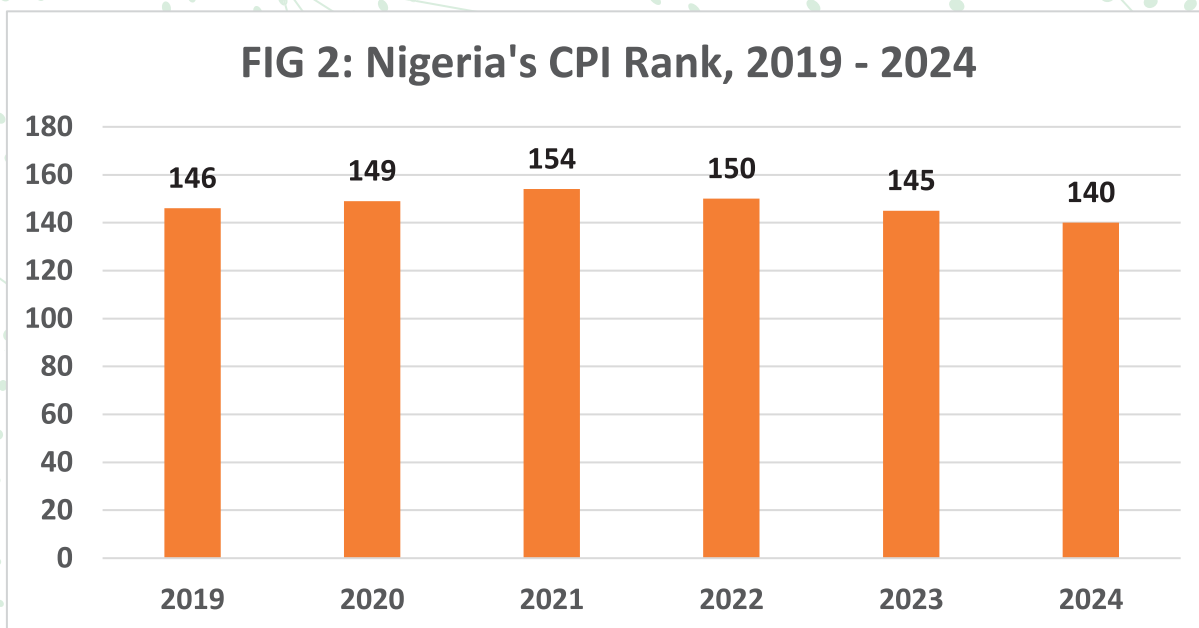
2.1 Review of Nigeria's CPI Score and Sources

Between 2019 and 2024, Nigeria recorded no overall change in her CPI score. In 2019, Nigeria recorded a CPI score of 26. This gave the country a rank of 146 out of 180 countries. In 2024, the country achieved the same CPI score of 26, and ranked 140 out of 180 countries. This represents the highest score for the period under review.

On a yearly basis, Nigeria's CPI score fell slightly from 26 in 2019 to 25 in 2020. It fell further to 24 in 2021. The country's score remained unchanged at 24 in 2022 before increasing to 25 in 2023 and further to 26 in 2024 (Figure 1). While Nigeria ranked 146 out of 180 countries in 2019, it's ranking fell to 149 in 2020, and fell further to 154 in 2021, before improving consecutively to 150 in 2022, 145 in 2023 and 140 in 2024 (Figure 2). During the review period, (2019-2024), Nigeria's CPI scores had an average of 25.0. This puts the country in the third lowest decile (i.e. Nigeria recorded less than a third of the total achievable score) in the CPI ranking (Figure 3), implying high levels of corruption. Nigeria's persistent low CPI scores and subsequent low ranking amongst other countries show little improvement over this 6-year period.

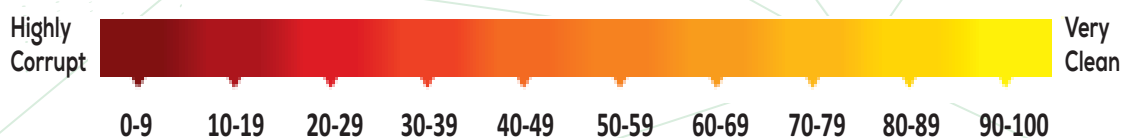


Sources: Corruption Perceptions Index 2019 - 2024



Sources: Corruption Perceptions Index 2019 – 2024

FIG 3: Scale of decile of scores in the CPI ranking

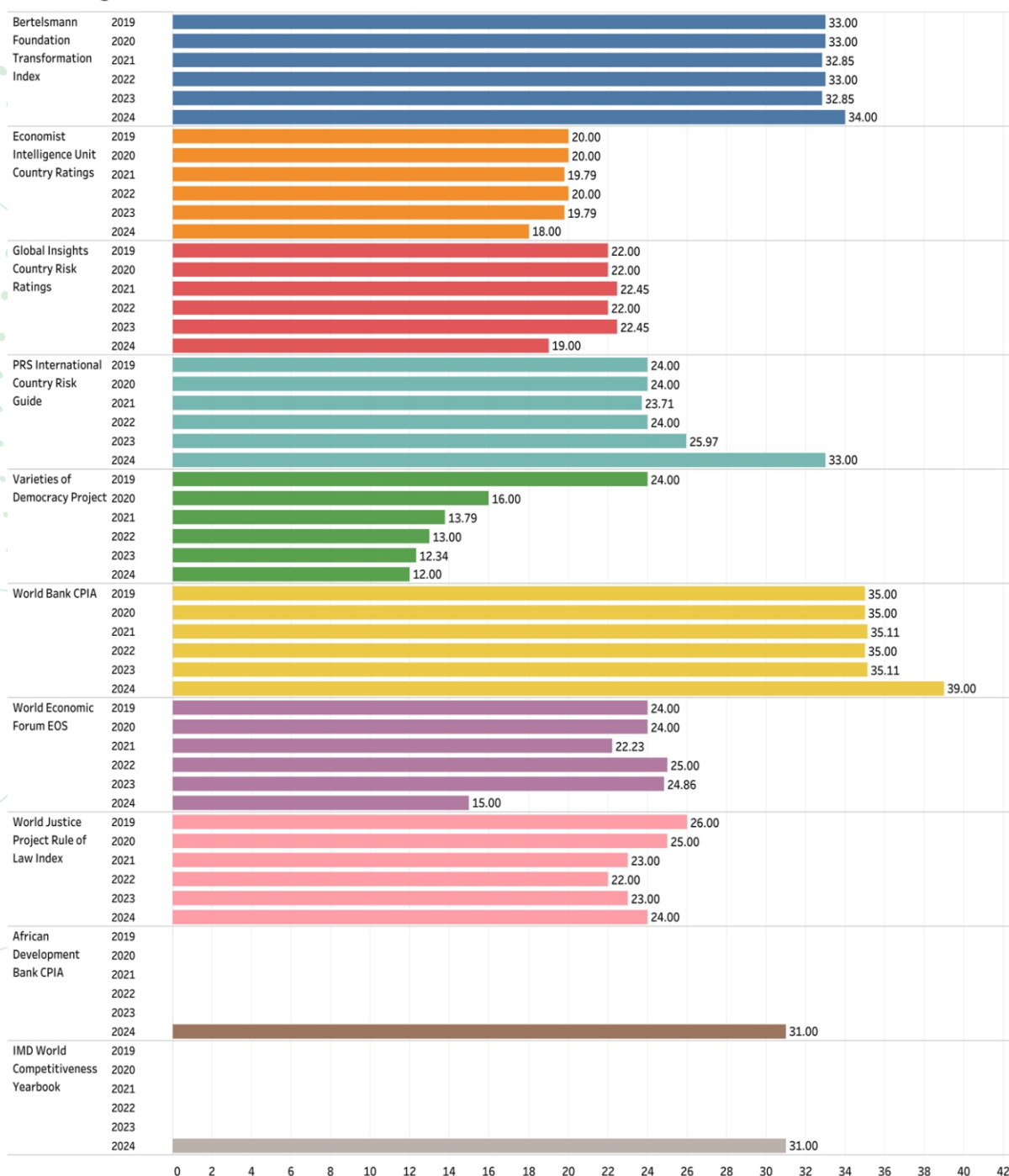


Sources: Corruption Perceptions Index 2019 – 2024

The country's score and rankings have not experienced much variability between 2019 and 2024 (Figures 1 and 2). This is attributed to its static scores in the eight sources used to compute the country's CPI³ (Figure 4). Two new sources were added to Nigeria's CPI assessment in 2024. While Nigeria's scores in these two assessments (31 each) were higher than the average CPI score in the previous years, the dispersion was not significant enough to substantially improve Nigeria's overall score given the size of data relative to the size of the deviation from the mean (overall score).

³ The same eight sources have been used between 2019 and 2023. Two sources were added in 2024 to bring the total constituent data sources for Nigeria's CPI to ten.

FIG 4: Nigeria's CPI Scores Sources, 2019 - 2024



Sources: Corruption Perceptions Index 2019 - 2024

Note: The African Development Bank CPIA and IMD World Competitiveness Yearbook were added as sources for Nigeria in 2024. Hence, these two sources do not have values for 2019 to 2023.

3. Components Sources of Nigeria's Corruption Assessment

During the review period, Transparency International's assessment of corruption in Nigeria was based on the aggregation of the following independent assessments of the country's governance indices by eight rating agencies. Only in 2024, two new sources were added, hence Nigeria's CPI score in 2026 was generated from corruption indices produced by ten rating agencies.

For the first source, the **Bertelsmann Foundation Transformation Index**, this index only had a range between 32.85 and 34.00 in the six years under consideration. Nigeria's score from this source was 33.00 for 2019 and 2020, before falling slightly to 32.85 in 2021, rising to 33.00 in 2022, and falling to 32.85 in 2023. The score then rose to 34 in 2024. The second source, the **Economist Intelligence Unit Country Ratings**, had a similar movement. It was 20.00 in 2019 and 2020, but fell to 19.79 in 2021. Thereafter, it increased slightly to 20.00 in 2022 before falling back to 19.79 in 2023 and then fell again to 18 in 2024. Similarly, the third source, **Global Insights Country Risk Ratings**, was 22.00 in three years: 2019, 2020, and 2022, while it was 22.45 in two years: 2021 and 2023. The lowest score of 19 was recorded in 2024. The fourth source of data for Nigeria's CPI score is **PRS International Country Risk Guide**. It had a value of 24.00 in 2019 and 2020, and then fell to 23.71 in 2021. It increased to 24.00 in 2022 and increased further to 25.97 in 2023. It recorded a significantly higher increase to 33 in 2024. The fifth source is the **Varieties of Democracy Project** which had a value of 24.00 for Nigeria in 2019. However, it fell for the next four years to 16.00 in 2020, 13.79 in 2021, 13.00 in 2022, and 12.34 in 2023. The score was 12 in 2024. The sixth source is the **World Bank CPIA** which had a value of 35.00 for three years: 2019, 2020, 2022; and had a value of 35.11 for two years: 2021 and 2023. Nigeria's CPIA score rose relatively significantly to 39 in 2024, representing the country's highest score for the period. The seventh source is the **World Economic Forum EOS**. It was 24.00 in 2019 and 2020. Thereafter, it fell to 22.23 in 2021, before increasing to 25.00 in 2022, and then falling slightly to 24.86 in 2023. Thereafter, the EOS recorded a very significant (40%) decline, falling by 10 points to 15 in 2024. The eighth source is the **World Justice Project Rule of Law Index** was 26.00 in 2019. It fell in three successive years to 25.00, 23.00 and 22.00 in 2020, 2021 and 2022 respectively, before increasing to 23.00 in 2023, and then to 24 in 2024.

One of the two new sources of the CPI used for Nigeria in 2024 is the **IMD World Competitiveness Yearbook**. Nigeria scored 31 in its assessment, which is 6 points above the country's overall CPI average for 2023. The other new data source is the **African Development Bank CPIA** which also scored Nigeria 31. It should however be noted that both the IMD World Competitiveness Yearbook and AfDB CPIA were not used in the previous years (2019-2023) under review,

The key takeaway from Figure 4 is that Nigeria's scores from all eight sources used for the previous years of the CPI score have been very low, and have hardly changed. Thus, Nigeria's CPI score and rankings have been low and rather static over the period being considered. These individual scores from each data source will have to increase substantially in the future before Nigeria's CPI score can improve, and thus boost the country's ranking in the perceived levels of public sector corruption amongst its peers.

3.1.2 Results Interpretation

The Bertelsmann Transformation Index

The Bertelsmann Transformation Index is a "qualitative expert survey" which assesses the effectiveness of government's measures to curb corruption in the 137 countries covered in the assessment. However, the actual assessment process has both qualitative and quantitative components. Specifically, it seeks to assess:

- (i) The extent to which public officeholders who abuse their positions are prosecuted or penalized. Assessments range from a low score of 1, which indicates that "officeholders who break the law and engage in corruption can do so without fear of legal consequences or adverse publicity", to a high of 10, implying that "officeholders who break the law and engage in corruption are prosecuted rigorously under established laws and always attract adverse publicity."
- (ii) The extent to which the government successfully contains corruption. The lowest score here is 1 which implies that "government fails to contain corruption, and there are no integrity mechanisms in place." A high score of 10 means that "the government is successful in containing corruption, and all integrity mechanisms are in place and effective." Obviously, a country with a score of 10 has the lowest

level of corruption while countries with a score closer to 1 indicate a high level of corruption.

For the 2023⁴ assessment, Nigeria recorded an average score of **32.85**, out of a maximum score (converted) of 100, for the two indices. Nigeria had identical scores for each of the two criteria. The findings show the corruption situation in the country as at January 2023. The index measured corruption in the country for the period between February 2021 and January 2023.

Interpretation

On the first criterion, a breakdown of the score for effective prosecution and sanction of public officeholders indicates that ***“officeholders who break the law and engage in corruption are not adequately prosecuted, but occasionally attract adverse publicity.”*** The score for the second criterion on effective containment of corruption shows that ***“government is only partly willing and able to contain corruption, while the few integrity mechanisms implemented are mostly ineffective.”*** The “integrity mechanisms” are listed as “auditing of state spending”, “regulation of party financing” and “citizen and media access to information”. Others are “asset declaration”, “conflict of interest rules”, “code of conduct” and “transparent public procurement”.

Case reference

The Bertelsmann Transformation Index acknowledges that the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practices Commission (ICPC) “have admittedly become more assertive”. The report acknowledges an increase in prosecutions and convictions by the EFCC as well as notable success stories in asset recovery. The report also observed that the ICPC tracks constituency project implementation undertaken by members of the National Assembly to ensure that the funds are not diverted. However, the report concludes that presidential pardons granted to former high-profile government officials who were convicted of corruption had dampened the commitment of government to sanction its officials for corruption and abuse of office. The report attributes the decision by the Central Bank to

⁴2023 is taken as the base year for interpretation of results because it is the latest period with a score (25) that corresponds to Nigeria's average score for the review period (2019-2024).

redenominate the naira notes, “very close to the 2023 elections” to an act of political corruption. It alleges that the policy was designed and implemented to undermine political opponents of the government. The report raised concerns about the appointment, by the then president, of “his brother-in-law” as managing director of the government's printing and currency minting company.

In general, the report cited corruption in public procurements consisting of contract inflation, contract awards to favored companies, and unexecuted or partially executed contracts. The report also cites weaker anti-corruption systems and greater influence of the executive over the legislature at the subnational levels. Finally, the report identified gaps in fiscal transparency practice which includes expenditures like security votes being not subject to monitoring, and non-disclosure of government subsidy payments.

Economist Intelligence Unit Country Ratings

The rating is based on quantitative and qualitative evaluation of financial risks in a country. Specifically, the measurement of corruption is derived from the assessment of the extent to which:

- (a) There are clear procedures and accountability governing the allocation and use of public funds;
- (b) public funds are misappropriated by ministers/public officials for private or political party purposes;
- (c) there are special funds for which there is no accountability;
- (d) there are general abuses of public resources;
- (e) whether there is a professional civil service, or if large numbers of officials are directly appointed by the government;
- (f) if there is an independent body auditing the management of public finances;
- (g) there is an independent judiciary with the power to try ministers/public officials for abuses; and
- (h) there is a tradition of payment of bribes to secure contracts and gain favours.

For the 2023 corruption perception index, Nigeria recorded a score of 19.79. The data used for the assessment shows the corruption incidence as of January 2023. The data for the assessment covers the period from October 2022 to September 2023.

Interpretation

Disaggregated scores for individual corruption questions are not publicly available. However, the EIU control of corruption (CC) indicator is a composite of multiple corruption questions. The EIU description of “methodology and analytical issues” notes that its governance measures are “strongly positively correlated”. Hence, we conclude that Nigeria's score of 19.79 reflects the country's performance for the individual corruption questions. Given the EIU's scoring range of 0 for very high incidence of corruption to a score of 4 for very low incidence of corruption (5 scoring bands), Nigeria's composite corruption score of 19.79 corresponds to the “very high” corruption incidence in the country concerning abuse of public resources, payments of bribe to secure contracts or special favours and the existence of special government funds for which there is limited accountability. It is also important to point out that Nigeria scored least in the control of corruption (CC) dimension than it did in the other five areas covered by the EIU country risk ratings.⁵

Global Insights Country Risk Ratings

The Global Insights Risk Indicators and Business Conditions, carried out by the World Economic Forum, assesses corruption risks that threaten the ability of businesses to operate in a country. It is a qualitative measure that assesses corruption incidences ranging from lower-level bribe taking (petty corruption to higher level (political) corruption.

The assessment focuses on bribery and corruption associated with:

- (i) contracts award
- (j) granting of import and export permits
- (k) everyday paperwork

For the 2023 assessment, Nigeria scored 22.45 percent of the maximum score. The assessment shows the corruption situation in Nigeria as at December 2022, as the data for the assessment covered January to December 2022.

⁵The Economist Intelligence Unit Country Ratings

PRS International Country Risk Guide

The (Political Risk Service Group) International Country Risk Guide assesses (qualitative and quantitative) the level of corruption within the political system including:

1. Corruption experienced by businesses in the form of demands for special payments and bribes connected with
 - a. import and export licenses
 - b. exchange controls
 - c. tax assessments
 - d. police protection
 - e. loans.
2. The measure is most concerned with actual or potential corruption in the form of
 - a. excessive patronage
 - b. nepotism
 - c. job reservations
 - d. exchange of favours
 - e. secret party funding
 - f. suspiciously close ties between politics and business.

A single score is computed from the average score computed for the different dimensions on which the assessment is made. In 2023, Nigeria scored **26.97** percent out of a total maximum score. This score represents the measurement of the corruption criteria in the country for the period September 2022 to August 2023.

Varieties of Democracy (V-Dem) Project

The Varieties of Democracy index measures individual components of corruption occurring within the main institutions of democracy and public sector governance – executive, legislature, judiciary as well as the larger public sector. These manifestations of corruption are captured within a broader “political corruption” index. The index captures both bribery for public services and favours as well as embezzlement of public funds. The V-Dem corruption indicators seek to measure:

1. **The** frequency or regularity with which members of the executive arm of government grant favors “in exchange for bribes, kickbacks or other material inducements”.
2. **The** frequency with which members of the executive arm steal, embezzle or misappropriate public funds or other state resources for personal or family use.
3. **The** frequency or regularity with which other public sector officials/employees within the bureaucracy, are involved in similar acts in exchange for gratification.
4. **Whether** members of the legislature abuse their office for private material gain, including bribery, but also facilitating or doing favors for firms in which the legislator, family members or friends hold beneficial interests.
5. **The** frequency with which individuals or businesses make “undocumented extra payments” in order to speed up, delay or secure favourable judicial decisions.

Results:

The V-Dem index results for 2023 showed that Nigeria recorded a score of 12.34 out of 100. The score represents the level of corruption in Nigeria measured in the period January – December 2022.

Interpretation:

1. A majority of the times (more often than not) members of the executive, or their agents, grant favours in exchange for bribes, kickbacks or other material inducements.
2. About half of the time, members of the executive treat public resources like personal property. (Note: This includes stealing, embezzling and misappropriating public funds or other state resources for personal or family use).
3. About half or less than half of public sector employees grant favours in exchange for bribes, kickbacks or other material inducements.

4. Some (not most) of the legislature abuse their positions for financial gains, like accepting bribes, helping to obtain government contracts for firms that they or their family/friends/political supporters own, doing favours for firms in exchange for opportunities after leaving office, and stealing money from the state for personal use.
5. Individuals or businesses usually make undocumented extra payments to judicial officers in order to speed up or delay processes or obtain favorable judicial decisions.

Case reference

The V-Dem 2023 report made no specific reference to alleged or actual corruption incidents in the country during the period of assessment. However, the report classified Nigeria among countries with electoral irregularities and lack of transparent and predictable law enforcement as well as secure and effective access to justice.

World Bank CPIA Country Policy and Institutional Assessment

The Country Policy and Institutional Assessment is designed by the World Bank to assess countries that can benefit from the Bank's assistance under the IDA (International Development Association) support. The CPIA assesses countries in several areas of governance. The corruption indicators are captured by the "public sector managements and institutions" criteria and includes assessment of transparency, accountability and corruption in the public sector. The corruption questions assess "the extent to which the executive, legislators and other high-level officials can be held accountable for their use of funds and the results of their actions by the electorate and by the legislature and judiciary". The criterion also assesses "the extent to which public employees within the executive are required to account for their use of resources, [for] administrative decisions and [for] results" of their decisions and actions. In turn, the accountability of the executive and civil servants is measured or enhanced by (a) transparency in decision making by public officials (b) role of public audit institutions (c) public access to relevant and timely information and (d) public and media scrutiny of government decisions and processes. These assessment criteria are

premised on the belief that adequate transparency and accountability discourages corruption and abuse of office. The World Bank CPIA covers both national and subnational governments.

Specifically, the CPIA assesses:

1. The accountability of the executive and other top officials to effective oversight institutions and of public employees for their performance.
2. Access of civil society to information on public affairs and public policies, including information on public expenditures, revenues and large contract awards.
3. State capture by narrow vested interests.
4. Integrity in the management of public resources, including aid and natural resources

Results

For the 2023 assessment, Nigeria scored 35.11 out of 100. The score recorded by Nigeria represents the assessment of Nigeria for the period January to December 2022.

Interpretation

1. Checks and balances on the executive are somewhat effective. External accountability mechanisms lack adequate resources or authority to function effectively. There is poor enforcement of political financing regulation. Anticorruption efforts tend to focus on the political opposition. **Citizens are sometimes able to bring claims against the state, and legitimate claims are sometimes successful.**
2. There is generally non-transparent decision making; dissemination of information on government policies and outcomes is a low priority; some key budget documents are not publicly available; official restrictions on the media, as well as violence against and harassment of journalists, limit the media's potential for information gathering and scrutiny.

3. Boundaries between the public and private sectors are moderately well defined, but violations are frequent and often not investigated or sanctioned; elected and other high-level public officials often have private interests that conflict with their professional duties; conflict of interest and asset disclosure rules do not apply to high-level officials or are enforced only selectively.
4. Public funds are sometimes diverted to unintended uses by high-level officials, but the prospect of sanctions has some deterrent effect. Bribery and collusion between bidders are common in public contracting, and value for money is often a minor consideration in contract awards.

Case reference

The CPIA country profile on Nigeria indicate that Nigeria was assessed on 16 different criteria, one of which is an assessment of the country's transparency, accountability and corruption in the public sector. Nigeria's score on corruption is the fourth lowest score of the sixteen assessments. The report notes particularly that there was "absence of transparent exchange rate management system" in 2022 which discouraged the flow of private investment into the country. The report further highlighted an urgent need to, among other objectives, enhance the country's financial management.

The World Economic Forum Executive Opinion Survey

The Executive Opinion Survey is an annual survey of business executives about corruption encountered in the process of doing business in the country. It measures bribery associated with services provided by government institutions to businesses to carry out their operations. It also measures embezzlement of public funds facilitated by private companies. Specifically, the Executive Opinion Surveys measures:

1. How common it is for firms to make undocumented extra payments connected with:
 - a) Imports and exports
 - b) Public utilities
 - c) Annual tax payments
 - d) Awarding of public contracts and licenses
 - e) Obtaining favourable judicial decisions

2. How common is the diversion of public funds to companies, individuals or groups due to corruption.

Result

For the 2023 assessment, Nigeria scored 24.86 points out of 100. The survey was conducted between April and August 2023.

World Economic Forum's specific insights on Nigeria

The corruption and illicit activities did not feature in the top five risks identified for Nigeria in its 2023 report, the Forum however identified Nigeria as one of the countries experiencing significant incidences of “technology enabled proliferation of illicit activities” that could cause significant security and economic implications for the country at the macro (state) and micro (corporate and individual) levels.

World Justice Project Rule of Law Index

The index assesses the extent to which covered countries observe rule of law in practice. The index scores used for the CPI are derived from responses from local experts including academics with expertise in areas including civil and commercial law and criminal justice. The assessment of “absence of corruption” comprises of 53 questions, on the extent to which officials use public office for private gain. The questions are aggregated into 4 sub-indices.

1. Government officials in the executive branch do not use public office for private gain.
2. Government officials in the judicial branch do not use public office for private gain.
3. Government officials in the military and police do not use public office for private gain.
4. Government officials in the legislature do not use public office for private gain.

Result

For the 2023 results, Nigeria recorded a score of 23.00 out of a hundred. The expert responses were collected between February and June 2023.

Interpretation

1. In most but not all cases government officials in the executive branch use public office for private gain. This includes using the procurement process to award contracts to preferred firms for personal gain; stealing, embezzlement or diversion of healthcare funds for private use; payments of bribes, informal payments or other inducements to clear goods through customs, obtain drivers' licence, obtain health and safety permits or to expedite process in hospitals, to process land or property title, to process retirement benefits, to gain admission for children; payments of bribe, informal payments or other material inducements to receive care during childbirth; payment of bribes, informal payments or other material inducements to receive services (health, education, etc) that are supposed to be free; hospitals claiming payments from health insurance for treatment not provided; doctors and staff in public hospitals receiving bribes or other inducements from pharmaceutical companies to boost sale of their drugs; doctors and hospital staff stealing or diverting drugs and medical supplies, especially items meant for the poor like free vaccines, dietary supplements for children and contraceptives for personal use, for use in private practice or for resale; payment of bribe by companies to influence officials or authorities to ignore environmental, health or safety violations; diversion of public funds by government officials to finance personal lifestyle or political campaign.
2. Judicial officers are likely to request bribes, other inducements or informal payments to expedite court processes, to perform their duties or to influence judicial decisions; corruption of judges and judicial officers is partly responsible for inability or unwillingness of poor people to use the courts to resolve civil or labour disputes; prosecutors working on criminal cases sometimes request/receive bribes or other informal payments from victims/accused to investigate a crime, to destroy or tamper with evidence, to drop or reduce charges or to grant bail;

3. Criminal organisations like drug cartels or smugglers have some influence on the police/military/law enforcement or their operations; police or law enforcement are likely to request/receive bribe or other inducement to perform their duties or expedite the process.
4. It is very likely that a member of the parliament receives illegal payments or bribes in exchange for political favours or a favourable vote on a bill. Most members of Nigeria's parliament are involved in corrupt practices.

Table 1: CPI 2024 Assessment Period

Data Source	Period Covered for 2024 Assessment Results
African Development Bank Country Policy and Institutional Assessment	January – December 2023
Bertelsmann Stiftung Transformation Index	February 2021 – January 2023
Economist Intelligence Unit Country Risk Service	Country's Risk Rating as at September 2024
Global Insights Business Conditions and Risk Indicators	Data covers the period October – December 2023
IMD World Competitiveness Yearbook	Data collected between February – May 2024
The PRS International Country Risk Guide	Aggregate of monthly assessments covering the period of September 2023 – August 2024.
World Bank Country Policy and Institutional Assessment 2023	January – December 2023
World Economic Forum Executive Opinion Survey 2024	Survey conducted between March and August 2024

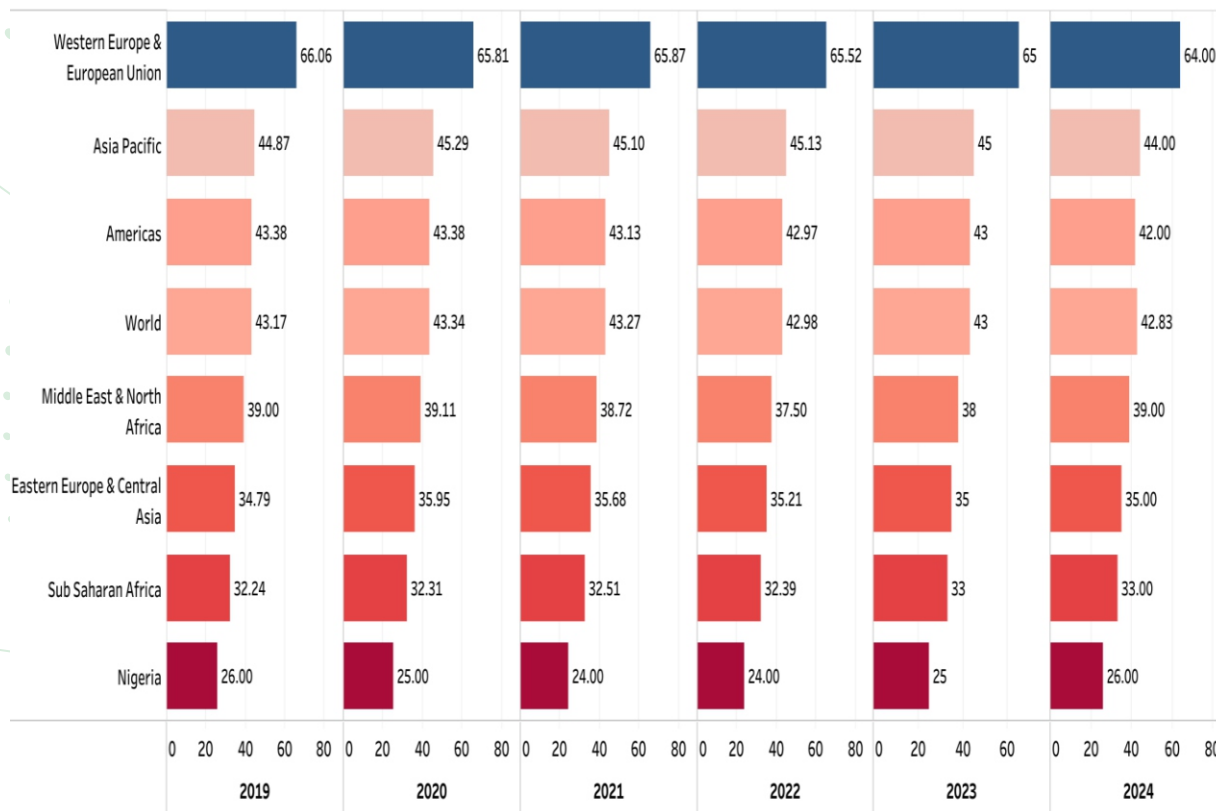
World Justice Project Rule of Law Index	Expert questionnaires were conducted between February and June 2024
Varieties of Democracy Project	Data covers the period of January to December 2023

Source: TI Corruption Perception Index 2024 Source description

5. Comparison with Regional CPI Average Scores

Figure 5 presents Nigeria's scores and regional averages of the CPI scores from 2019 to 2024. Nigeria's CPI scores were consistently below all regional averages for all years. In 2019, Nigeria's CPI score was 26.00, and it was below the Sub-Saharan Africa (SSA) regional average of 32.24. It was also below the world average of 43.17. Western Europe and European Union had the highest regional CPI score average of 66.06, which was 40 points above Nigeria's score. This scenario is similar for all the other years. Between 2020 and 2024, Nigeria's CPI score was below all the regional averages. It was below the SSA average for all years. These figures indicate the low level of the CPI scores for Nigeria.

FIG 5: Regional Averages of CPI Scores, 2019 - 2024



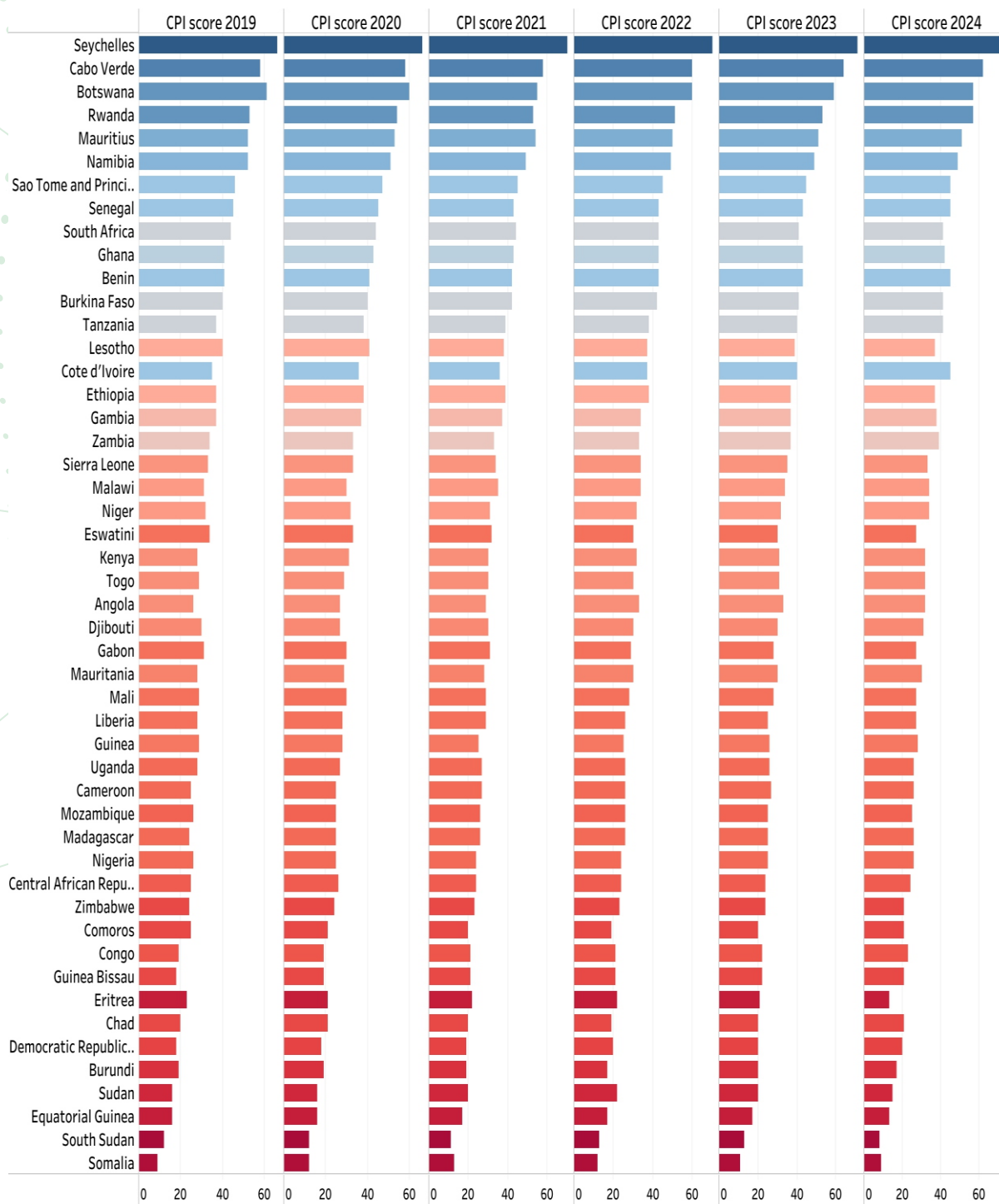
Sources: Corruption Perceptions Index 2019 - 2024

Comparison with SSA Peer Countries

Figure 6 provides comparisons of the CPI scores between Nigeria and other SSA countries. Seychelles was the highest ranked country for all five years, with CPI scores ranging between 66 and 71. Cape Verde, Botswana, Rwanda, and Mauritius also had high scores above 50. Somalia and South Sudan were the lowest ranked countries with CPI scores ranging between 9 (2019) and 12 (2020, 2022). There was a total of 49 SSA countries, and Nigeria ranked 34th in 2019. The country's ranking dropped to 37 in 2020, 2021, and 2022, before rising slightly to 36 in 2023. Thus, Nigeria's low CPI scores ensured it ranked in the bottom third amongst SSA countries for all five years considered.

Sources: Corruption Perceptions Index 2019 - 2024

FIG 6: SSA CPI Scores, 2019 - 2024



6. Implication of Nigeria's CPI scores for the country

The obvious effect of the Corruption Perception Index is the reputational implications for covered countries. However, the specific effects and impact for a country is assessable from the component indicators and the operational objectives and functions of the CPI data sources. These impacts and country outcomes manifest in several dimensions, but most significantly economic consequences.

- (i) **Limited access to foreign credit.** Global financial institutions use corruption indicators that measure financial risks in the country to 'set or review' their credit limits for the affected country. Hence countries that perform poorly against the related indicators face greater challenges of access to foreign credit for such vital needs as infrastructure development.
- (ii) **Weakening of investor confidence.** In the same vein asset managers use indicators of financial risks to assess the risks to their global asset portfolios, and consequently make negative investment decisions on the countries with high financial risks.
- (iii) **Impact on profits/cash retention or repatriation.** Treasury departments rely on financial risk indicators to ⁶assess the risk of keeping cash and profits in a country.

7. Conclusion

This research has reviewed and analysed Nigeria's CPI scores and rankings over the period 2019 to 2024. This review found that Nigeria's has consistently had low CPI scores, translating to low corruption rankings amongst other countries. In addition, Nigeria's CPI scores have exhibited little variability over the five-year period, owing to the relative static nature of the eight sources of the country's CPI scores. Nigeria's CPI scores are low that they are below the CPI averages of all regions. Also, when compared with other SSA countries, Nigeria ranked in the bottom third for all five years considered. Going by the analogy of Transparency International, these low CPI scores imply high perceived levels of public sector corruption, and indicate an authoritarian government.

⁶ See Transparency International's description of CPI source methodology at <https://www.transparency.org/en/cpi/2023> and Economist Intelligence Unit Risk Model at http://graphics.eiu.com/upload/eb/Benefits_CountryRiskModel.pdf.

8. Recommendations

In order to improve Nigeria's TI-CPI scores and ranking, efforts need to be directed at the indicators captured by the data sources used to compile the CPI. Specifically, these data sources cover the following manifestations of public sector corruption⁷:

1. Bribery
2. Diversion of public funds
3. Officials using their public office for private gain without facing consequences
4. Ability of governments to contain corruption and enforce effective integrity mechanisms in the public sector
5. Red tape and excessive bureaucratic burden in the public sector which may increase opportunities for corruption
6. Meritocratic versus nepotistic appointments in the civil service
7. Effective criminal prosecution for corrupt officials
8. Adequate laws on financial disclosure and conflict of interest prevention for public officials
9. Legal protection for whistleblowers, journalists, investigators when they are reporting cases of bribery and corruption
10. State capture by narrow vested interests
11. Access of civil society to information on public affairs

⁷https://transparency.ie/sites/default/files/cpi2023_faqs_en.pdf

1. Recommendations

It will take some time before actions from the Nigerian government can be captured in the data and indicators. Thus, it is necessary to identify actions that can be taken in the short, medium and long term to improve the country's CPI scores and rankings. These recommendations are discussed below:

2.1 Short Term Steps

- Education to understand the underlying data, methods and sources of Nigeria's Corruption Perception Index (CPI): The TI-CPI, as the name implies, is based on perceptions of corruption. The data is sourced from multiple sources and aggregated into the CPI. There is a need to disaggregate the data to understand the individual components and data sources. Only then can appropriate measures be taken to improve the country's scores and rank;
- Adequate sensitization efforts on corruption in Nigeria are necessary: there is the need to change preconceived views about corruption in Nigeria. Such efforts include creation of jingles, documentaries, and so on to showcase Nigeria's achievements and realities, challenging the negative perceptions often portrayed domestically and internationally. Changing the narrative through sensitization initiatives can reshape perceptions about corruption in Nigeria;
- Inter-agency Cooperation and Synergy: it is important to foster inter-agency cooperation to tackle corruption effectively. This requires improving communication channels and trust between government agencies. The Inter Agency Task Team (IATT) of Anti-Corruption Agencies should be further strengthened to achieve this. This way, coordination and cooperation amongst government agencies can be improved. While partnerships and memoranda of understanding between various anti-corruption agencies exist, there is room for improvement and strengthening of the collective efforts to address corruption and related issues in the country.

- Public engagement: there is a need to focus on public engagement strategies rather than traditional public enlightenment campaigns. Engagement is a more effective approach to encourage participation and collective ownership in the fight against corruption.

2.2 Medium Term Steps

- Reforms for strengthening of governance mechanisms: there is the need to implement reforms targeting governance, transparency, and accountability. Nigeria's consistently low CPI scores call for a paradigm shift in governance, transparency, and anti-corruption strategies.
- Critically examine data sources to identify source-specific strategies: there is the need to robustly analyse the data sources and identify where Nigeria specifically scores low. Then, strategies can be designed on addressing weaknesses highlighted in sources and improving Nigeria's scores;
- Improve monitoring and evaluation: there is the need to enhance oversight mechanisms to detect and address corruption more effectively;
- Boost International Collaboration: Leverage partnerships with global institutions to improve Nigeria's standing in international indices.
- Anti-Corruption Measures: there is the urgent need for comprehensive anti-corruption measures to enhance governance and rebuild international credibility. Such efforts need to be widely publicized to gain traction and so feed into data sources for TI-CPI.
- Journalists should be integrated in the promotion of anti-corruption efforts and milestones so that they can tell our story. This will help in changing the narratives of our citizens, home and abroad so that perceptions can start changing since the ratings are based on perceptions.

2.3 Long Term Steps

- Judicial reforms are necessary to effectively institutionalize anti-corruption measures. Issues such as long delays in prosecutions, administrative judicial disruptions, conflicting court orders by courts of equal jurisdictions send wrong signals and impede the anti-corruption fight. Comprehensive judicial reforms are needed to address these types of issues.
- Public sector reforms are necessary to improve the corruption perception of the country. Many of the areas of focus of the data sources of TI-CPI relate to public corruption. Issues such as bribery of public officials; diversion of public funds; public officials using their office for private gain; red tape and excessive public sector bureaucratic burden are entrenched systemic issues. Only adequate public sector reforms can correct them, and such reforms will send positive signals to the international community.
- There is the need for a comprehensive long-term public engagement strategy against corruption. This includes grassroots mobilization and public engagement across all levels of education and government.
- Reform of Anti-Corruption Agencies: anti-corruption agencies face pressure both from within their organizations and from external bodies. Also, some anti-corruption agencies have similar or conflicting mandates, which make it difficult to effectively function. There is the need to streamline the functions and mandates of anti-corruption agencies to make them function efficiently. Also, effective mechanisms need to be put in place to limit obstruction by powerful interests.



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