With the third largest economy on the continent, Nigeria is one of sub-Saharan Africa’s most important young democracies and is West Africa’s economic powerhouse. Yet the country’s governance challenges and lack of accountability at the national, state, and local levels heighten the disparity between Nigeria’s vast resources and its people’s poverty. Since 1988, the Center for International Private Enterprise (CIPE) has sought to address these challenges gap by encouraging the private sector’s active participation in the democratic process. CIPE is pursuing a sub-national strategy of supporting private sector advocacy, strengthening business coalitions for business-friendly legislation, and advancing legislators’ understanding of economic issues and business needs.

**Program Highlights in Nigeria:**

- Inspired by a CIPE training program on advocacy and coalition building, the Kwara and Kogi State Coalitions of Business and Professional Associations organized public debates for gubernatorial candidates in the April 2011 elections, which were attended by more than 350 private sector and civil society representatives. As a result of the wide media coverage and quality of the event, candidates who did not participate asked the coalition to organize another debate so that they could share their platforms with voters. Debate topics included security, taxation, youth empowerment, and partnering with the private sector.

- As a result of CIPE’s training programs for both state parliamentarians and the business community, the private sector was involved in the passage of the July 2010 Privatization Act in Plateau State through the improved channels of communication between the public and private sectors.
Nigerian businesses often fall victim to a corrupt and redundant taxation system, causing them to pay more than required. Further, members of the business community often do not see their tax contributions translate into service provision or government representation. A non-transparent and inconsistent taxation system presents a significant barrier to democratic development: businesses remain in the informal sector, and the government is prevented from mobilizing the resources needed to provide necessary public services.

In Enugu State, members of the Enugu Chamber of Commerce, Industry, Mines and Agriculture (ECCIMA) and the Enugu Coalition of Business and Professional Associations (ECOBPA) did not understand how to comply with the opaque taxation system, paying as many as 28 different taxes, some legal and some not. In addition, tax payment mechanisms were unclear, leading to multiple payments when members went to the wrong authorities. ECOBPA members were also threatened with intimidation and bribery to pay illegitimate taxes. Based on skills acquired through CIPE capacity building seminars, ECOBPA’s advocacy campaign on multiple taxation served to educate its members on how to pay taxes properly and create a forum through which ECOBPA could undertake formal dialogue with government taxation officials.

- ECCIMA and ECOBPA worked with local and state government chairmen to itemize and print clear documents outlining the different state and local taxes for businesses. The government officials clarified and confirmed that all taxes should be paid at the banks, and receipts should be provided as evidence of payment.

- Businesses in Enugu State now only pay taxes that are legitimate, making their businesses more profitable and less susceptible to bribery. Government tax revenues are increasing because more businesses, now confident they are making legitimate payments, are paying taxes.

- The Onitsha Main Market Traders Association (OMMATA), faced an excessive levy of 5,000 Naira (33 dollars) that had been imposed on its market traders. OMMATA brought this concern to ECOBPA after its formation, which then advocated to the Board of Internal Revenue to decrease the levy. As a result of the collective advocacy efforts, the levy was reduced to 1,500 Naira, the Board promised no increases through the year, and OMMATA members paid the levy.
TACKLING CORRUPTION THROUGH SECURITY REFORM

Recently, security in southeastern Nigeria has deteriorated to the point that many businesses are fleeing to other regions or countries because they fear for their safety. Through a survey of its members, the Enugu Coalition of Business and Professional Associations (ECOBPA) determined that an insecure business environment was the Enugu State business community's primary concern. ECOBPA campaigned to improve the security situation in southeastern Nigeria, primarily targeting the Governor of Enugu State and the National Inspector General of Police, using skills gained through CIPE’s technical assistance. As part of the advocacy campaign, CIPE and ECOBPA held a two-day Security Summit in May 2010 with about 300 participants from seven states.

ECOBPA’s advocacy team on security then held a meeting with Nigeria’s National Inspector General of Police to share its policy paper and discuss ways in which the private sector can improve Nigeria’s deteriorating security situation. The advocacy meeting was aired on the National Television Authority Network Service, which reaches a national audience of 30 million people. After the summit, the Inspector General echoed ECOBPA’s policy concerns and suggestions by noting in a newspaper article that, “The issue of bribery among police officers has reached an alarming level, especially as the road blocks are now being mounted for bribe collection. I will soon remove the road blocks because the objective for which they were introduced has been defeated.”

PROGRAM RESULTS & IMPACT

- Businesses in southeastern Nigeria are able to move their goods on the 100km stretch of road between Onitsha and Enugu more efficiently and at a lower cost due to the decrease in the number of police roadblocks from 65 to 15.

- The likelihood of robberies and kidnapping of prominent businessmen has decreased as a result of increased police presence and patrols.

- The Security Summit succeeded in establishing ECOBPA as a credible voice for business. ECOBPA’s membership has increased by 63 percent, and it now holds regular consultations with the Governor of Enugu State. In addition, other business communities are asking for training from ECOBPA leadership on how to strengthen their own associations for the eventual creation of a similar coalition.
SUPPORTING PUBLIC-PRIVATE DIALOGUE

Nigeria’s private sector often lacks the relevant tools and resources to advocate effectively for democratic and economic reform. Additionally, many parliamentarians do not understand how to create laws that promote much-needed economic growth and private sector development. CIPE has provided association management and advocacy training programs for over 200 business associations in seven states, representing sectors such as trading, farming, and manufacturing.

CIPE also provided training programs to 40 legislative staff and 90 members of three State Houses of Assembly to strengthen the capacity of the legislature to incorporate the voice of the business community into the policymaking process and draft effective, business-friendly legislation. Each legislative training program was followed by a public-private dialogue roundtable, the first time the two sectors had ever come together for formal dialogue, increasing opportunities for democratic dialogue where it had never before existed.

“This roundtable, which is the first of its kind, is the beginning of a process of collaboration between the legislature and the business community.”
- Right Honourable Tersee Tsumba, former Speaker of the Benue State House of Assembly

“We were overwhelmed with the reaction of the Benue legislators, especially their leadership, who considered our interaction with them as most welcome.”
- Nev Terkura, Director General, Benue Chamber of Commerce, Industry, Mines and Agriculture

CIPE PROGRAMMING IN NIGERIA

Enhancing the Capacity of Parliamentarians: Working with the Jos Business School to strengthen the capacity of members and staff of the North Central Zone Houses of Assembly to create effective economic legislation.

Strengthening the Voice of Business through Regional Business Agendas: Supporting grassroots participation in democratic processes and strengthening the role of small and medium enterprises through business and professional coalitions in the South East and North Central regions.

Fostering Effective Public-Private Dialogue: Facilitating a high-level symposium and small grants program for public and private sector leaders from Ghana, Kenya, Nigeria, and Uganda. CIPE is also supporting the National Association of Nigerian Traders to use public-private dialogue to advocate for effective competition policy.

Strengthening the Voice of Micro, Small, and Medium Enterprise: Strengthening the capacity of the Nigerian Association of Small and Medium Enterprises so that they have a solid institutional base and the tools needed to effectively advocate for democratic and economic reform.


Fostering Private Sector Participation in Policymaking through Tax Reform: Working with the Manufacturers Association of Nigeria to conduct an evidence-based advocacy campaign on multiple taxation in the southwest.