Federal Ministry of Justice

FG TO INTRODUCE BENEFICIAL OWNERSHIP REGISTER TO FIGHT GRAFT

The Attorney General of the Federation and Minister of Justice, Abubakar Malami, SAN has revealed plans by the Federal Government to introduce a companies register that will show the real owners of investments and businesses in the country. He disclosed that this is in line with the commitment of the present leadership in the country in its fight against corruption with a view to foster the nation's economic development. Special Adviser on Media and Publicity to the Honourable Attorney General of the Federation and Minister of Justice, Abubakar Malami, SAN; Comrade Salihu Othman Isah revealed this in a statement in Abuja Sunday.

Isah said the AGF unveiled this plan at the National Consultative Session by the Open Government Partnership (OGP) Working Group Planning Meeting on Beneficial Ownership hosted by the Federal Ministry of Justice and sponsored by the United States Agency for International Development (USAID) in Abuja last Thursday. Malami expressed the strong commitment by the Federal Government to ensure transparency and accountability in the business environment in Nigeria using the Open Government Partnership (OGP) mechanism.

He added that, during the London Anti-Corruption summit that held on 12th May 2016, President Muhammadu Buhari made commitments to strengthen the capacity of institutions to combat corruption as well as improve the legal framework on beneficial ownership principles. According to him, the commitment was borne out of the awareness that the lack of transparency in the business environment provides opportunity for corruption to thrive.

The Minister informed the participants that in the light of the 2016 Transparency International's Corruption Perception Index which places Nigeria at a lower rank of 136 out of 176 countries with a score of 28/100 and with Nigeria currently ranked as 169th in the World Bank's Ease of Doing Business Index for 2017, it has become imperative for the government to take every possible step to address the use of corporate entities in rent seeking and corruption through the establishment of beneficial ownership transparency initiative.

He reminded the participants on the benefits of the commitments which Nigeria made at the London Anti-Corruption Summit that include the commitment to establish a public central register of company beneficial ownership information, the commitment to implement bilateral agreements that will ensure law enforcement in one partner country has full and effective the beneficial ownership information of companies incorporated in the other partner country, and also to ensure transparency of the ownership and control of all companies involved in property purchase and public contracting. Malami also hinted that Nigeria is already collating some of this information through the Extractive Industry initiative process and would extend it to the other sectors, the commitment establish a transparent central register of foreign companies bidding on public contract and buying public property.

He also listed the commitment to welcome the proposal by developed countries to work together to improve the access of developing countries to beneficial ownership information for use in public contracting and to restrict the ability of those involved in grand corruption to travel, invest and do business overseas and lastly to join the pilot initiative for automatic exchange of beneficial information.

The AGF concluded by thanking his team members who has worked assiduously to get to the successful conclusion of the three days Open Government Partnership (OGP) Working Group Planning Meeting, and he equally expressed gratitude to his colleagues in the Federal Executive Council (FEC) for their support to the implementation of the presidential initiatives on transparency and accountability measures.

He pointed out that most of the Ministries, Departments and Agencies, as well as Civil Society Organizations who are members of the National Steering Committee are fully represented in the OGP process. “My expectation is to receive the work plans developed by the OGP working groups over the past two days and the policy recommendations towards the effective implementation of the beneficial ownership registers in Nigeria”, he stated.

Speaking at the occasion, the Executive Secretary, Nigeria Extractive Industries Transparency Initiative (NEITI), Mr. Waziri Adio opined that beneficial ownership register is very important as it is a ‘game changer’, surmising that knowing who owns what company is very critical to achieving transparency in the business environment and if investors should be encourage to come into the country.

According to him, beneficial ownership disclosure would discourage those he described as ‘disgruntled elements’ from committing financial impropriety. Also speaking, Mr. Blaire King, who presented a goodwill message on behalf of USAID congratulated Nigeria for becoming the 70th member of the OGP through the National Action Plan that presented a very impressive and ambitious commitment, adding that it was imperative to know who are the direct beneficiaries of government contracts especially in the gas sector. King also posited that private sector and the government can share experiences with one another, expressing hope that the next 7 years the US Government will continue to implement commitment with the OGP so that the US and Nigeria can join hands and learn from each other.