

CASE STUDY

# *Upstream Investment for Downstream Impact*

A case study of the Presidential Advisory  
Committee Against Corruption in Nigeria

## Introduction

The MacArthur Foundation, along with the Ford Foundation and Open Society Initiative in West Africa, established a joint fund of \$5 million to support the Nigerian government's efforts on anti-corruption and accountability. MacArthur's contribution was \$2 million. One of the major beneficiaries of the support is the Presidential Advisory Committee Against Corruption (PACAC), which advised the government on several issues, including recovery of stolen assets, whistleblower policies, and national anti-corruption strategies. Some of the resources recovered due to these policies were invested in social protection policies, which has led to an increase in school enrollment, the empowerment of women, financial integrity, and a stronger agricultural value chain.

Along with an in-depth look at the strategies, policies, and other initiatives that led to these far-reaching impacts, this case study concludes with key learnings and concrete recommendations for how donors interested in promoting and sustaining similar efforts can do so in similar contexts.

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# Acronyms

<b>ACA</b>	Anti-Corruption Agencies
<b>AFRICMIL</b>	African Centre for Media & Information Literacy
<b>AFM</b>	Asset Forfeiture Mechanism
<b>ANEEJ</b>	African Network for Environment and Economic Justice
<b>ATA</b>	Agricultural Transformation Agenda
<b>BVN</b>	Bank Verification Number
<b>CCT</b>	Conditional Cash Transfers
<b>CEWHIN</b>	The Centre for Women's Health and Information
<b>CORA</b>	Corruption Anonymous
<b>ECOWAS</b>	Economic Community of West African States
<b>FMHDSD</b>	Federal Ministry of Humanitarian Affairs, Disaster Management and Social Development
<b>FOMWAN</b>	Federation of Muslim Women's Associations in Nigeria
<b>GEEP</b>	Government Enterprise and Empowerment Program
<b>HEDA</b>	Human and Environmental Development Agenda
<b>HGSFP</b>	Home Grown School Feeding Program
<b>ICPC</b>	Independent Corrupt Practices and Other Related Offences Commission
<b>IDP</b>	Internally Displaced Persons
<b>MDAs</b>	Ministries, Departments, and Agencies
<b>MSME</b>	Micro Small and Medium Enterprises
<b>NAS</b>	National Anti-Corruption Strategy
<b>NCB</b>	Non-Conviction-Based
<b>NEEDS</b>	National Economic Empowerment & Development Strategy
<b>NES</b>	Nigerian Economic Summit Group
<b>NPA</b>	Nigerian Ports Authority
<b>NSIO</b>	National Social Investment Office
<b>PACAC</b>	Presidential Advisory Committee Against Corruption
<b>PICA</b>	Presidential Initiative on Continuous Audit
<b>PSRP</b>	Poverty Reduction Strategy Program
<b>PTCIJ</b>	Premium Times Center for Investigative Reports
<b>SERAP</b>	Socio-Economic Rights And Accountability Project
<b>SIP</b>	Social Investment Program
<b>SURE-P</b>	Subsidy Reinvestment and Empowerment Program
<b>SME</b>	Small and Medium Enterprises
<b>TEP</b>	The Education Project
<b>TSA</b>	Treasury Single Account

## Context



Nigeria Population  
**200million**



**\$3.7billion**  
Was stolen by 55 people in 7 years,  
prior to 2016



**Over 13million Children**  
were out of school as at 2015, especially in Northern Nigeria

Nigeria is a developing nation with a population of close to 200 million that has continuously struggled to overcome challenges that hamper its national development, from the electoral process itself to economic and gender disparities.

One challenge is school enrollment. In 2015, school enrollment had dropped significantly, especially in northern Nigeria. Figures from the National Bureau of Statistics show that over 13 million Nigerian children were out of school that year. Further, once Nigerian school children reach age 18—a group that accounts for over 45 percent of the population as of 2015—many of them are unemployed and without a viable source of livelihood. Further, economic and gender issues continue to remain prevalent.

For many years, the country also bled resources. Over USD 9.1 billion in funding was being lost through fraud on a daily basis in 2016.<sup>1</sup> It was reported that what 55 people had stolen in the seven years prior amounted to over USD 3.7 billion (1.35 trillion naira).<sup>2</sup> Lost funds took the form of offshore accounts and cash stored in unconventional places,<sup>3</sup> but it was also found in local bank accounts. Part of the reason these practices became pervasive is that the governance system of the time essential-

ly allowed for stealing without repercussions, due in part to corruption among Nigerian politicians.

The election process is itself flawed, marred with a prevalence of vote buying and violence at the polls codified as a standard practice. This naturally favors politicians interested in replenishing their resources expended during the elections rather than national growth. Further, many continue to find creative ways to enrich themselves at the expense of the Nigerian people.

These issues and more led to a drop in Nigeria's projected GDP growth from 6.5 percent in 2006 to 2.3 percent in 2016. There was a growing fear that the nation's economy was facing imminent collapse and began to fester.

While the situation may seem dire, one initiative that started as a high-level decision to fight corruption has led to solutions to many of Nigeria's national development challenges on the ground, providing an insightful opportunity to rethink decision making at the upstream levels of donor development initiatives.

<sup>1</sup> [www.huffpost.com/entry/nigeria-recovers-9-billion-dollars-stolen-money\\_n\\_5752daefe4b0c3752dcdc7bf](http://www.huffpost.com/entry/nigeria-recovers-9-billion-dollars-stolen-money_n_5752daefe4b0c3752dcdc7bf)

<sup>2</sup> [www.premiumtimesng.com/news/headlines/196981-55-nigerians-stole-over-n1-34-trillion-in-8-years-lai-mohammed.html](http://www.premiumtimesng.com/news/headlines/196981-55-nigerians-stole-over-n1-34-trillion-in-8-years-lai-mohammed.html)

<sup>3</sup> [www.legit.ng/1099355-6-times-efcc-millions-dollars-despicable-places-photos.html](http://www.legit.ng/1099355-6-times-efcc-millions-dollars-despicable-places-photos.html)



## The Issues

Corruption has been a termite eroding the very foundations and pillars that comprise the central structure of Nigeria. As corruption continued to eat its way through the system, it became a culturally intrinsic part of the country's mode of operation. This culture of corruption, happening even at the highest levels, prevented service delivery from making its way to the grassroots level. This culture of corruption has corroded institutions, both public and private, making it nearly impossible to transform public funds into results for the wider population. As popular Nigerian musician Folarin Falana (also known as Falz) once sang, *"this is Nigeria, everybody [is a] criminal."*

However, as corruption became the norm rather than an anomaly, the nation's citizens remained indignant. Gradually, public sentiments became codified in opinion polls. In the years and months leading up to the 2011 and 2015 elections, there was one issue that resonated across the country: corruption. While conversations were often divided between whether corruption was the problem or just a symptom of the bigger problem of weak institutions, the voice of the people was clear. The country wanted and needed to "stamp out" corruption and "clean up" the system.

This public demand was met in part by the international donor community. The MacArthur Foundation took a leap of faith at this pivotal point in Nigeria's history to support the accountability ecosystem through On Nigeria, a program designed to support Nigerian-led efforts to end corruption and bring transparency, accountability, and civic participation to the country. Politicians in the 2011 and 2015 elections also took note, making promises and designing party manifestos to include strategies for curbing corruption. As anti-corruption became the horse that politicians rode to power, an engaged citizenry was prepared to hold them to account.

To address the needs of Nigeria's citizens, initiatives like the Agricultural Transformation Agenda (ATA) and the Subsidy Reinvestment and Empowerment Program (SURE-P) were launched. They sought to create economic empowerment and financial inclusion while supporting agriculture, education, and youth employment efforts. Despite starting with strong potential, they have all failed to gain traction in large part due to corruption and sustainability issues within the government. When the administrations that created the programs were voted out or when their main political initiator left office, many of the programs shuttered.

*" this is nigeria, everybody [is a] criminal ”*

- Folarin Falana (aka Falz), *This is Nigeria*

# Impact Map



# Strategy Overview

The Muhammadu Buhari government came into power in 2015 with a commitment to fight against corruption. Even before appointing ministers, it inaugurated the Presidential Advisory Committee Against Corruption (PACAC), which was funded by a group of foundations that have been working in Africa for a long time and have an interest in effective service delivery in Nigeria. These foundations—the MacArthur Foundation, Ford Foundation, and Open Societies Foundation—pooled \$5 million to establish a fund to support early anti-corruption and criminal justice reform efforts by the new government. The MacArthur Foundation contributed \$2 million to the fund.

PACAC is tasked with promoting the Buhari Administration's anti-corruption agenda, advising on corruption prosecution, and overseeing the implementation of reforms in Nigeria's criminal justice system. The Committee is responsible for promoting cooperation among Anti-Corruption Agencies (ACAs) and between government and private-sector stakeholders working on anti-corruption. Headed by a six-member advisory team, PACAC is also charged with developing a strategy to ensure coordination across all anti-corruption and criminal justice reform efforts.

PACAC began its work by developing relationships with anti-corruption agencies. It also built the capacity of prosecutors to more effectively prosecute corruption cases by reducing the number of charges and improving the quality of evidence gathered by the prosecution teams. The committee engaged with international development agencies and the diplomatic community to inform policy design and continued strategy development for the implementation of the country's overall anti-corruption strategy.

Key results of both PACAC's early work and its effort advising the Federal Executive Council include the development of the Asset Recovery Strategy, the Whistleblowing Policy,<sup>4</sup> and the Presidential Initiative on Continuous Audit (PICA). The Presidency strengthened the already existing policies of the Treasury Single Account (TSA) and the Bank Verification Number (BVN) to further enable the anti-corruption efforts in the financial sector.

<sup>4</sup> [whistle.finance.gov.ng/\\_catalogs/masterpage/MOFWhistle/assets/FMF%20WHIS-TLEBLOWING%20FREQUENTLY%20ASKED%20QUESTIONS.pdf](http://whistle.finance.gov.ng/_catalogs/masterpage/MOFWhistle/assets/FMF%20WHIS-TLEBLOWING%20FREQUENTLY%20ASKED%20QUESTIONS.pdf)

## The PACAC Advisory Team

### Professor Itse Sagay - *Chairman*

A Senior Advocate of Nigeria (SAN), scholar, and human-rights advocate with institutional knowledge spanning over 38 years. He has consulted for the United Nations, the African Union, and the African Commission. He leads and directs the activities of the Presidential Advisory Committee Against Corruption.

### Professor Sadiq Isah Radda - *Executive Secretary*

A renowned professor of criminology with expertise in criminal justice, human rights, and corporate crimes. As a former Deputy Vice Chancellor (Admin) of Bayero University Kano, he held key positions in the university for over a decade, including serving as head of the sociology department.

### Hadiza Bala Usman - *Member*

The Managing Director of the Nigerian Ports Authority (NPA). She has worked with the Centre for Democratic Development and Research Training and the Bureau of Public Enterprises (BPP) as an Enterprise Officer. She co-convened the successful #BringBackOurGirls campaign which advocated for the release of the 219 abducted Chibok girls in 2014.

### Professor Femi Odekunle - *Member*

The first Professor of Criminology in Nigeria. His academic and professional career has spanned teaching, research, policy advice, and public enlightenment in the areas of sociology of law, security, and government corruption—all in the context of development. He served as the first director of the United Nations African Institute for the Prevention of Crime and Treatment of Offenders and was the chief project consultant on a West African survey for the Economic Community of West African States (ECOWAS).

### Professor Etannibi Alemika - *Member*

A professor of criminology and sociology, specializing in criminology, sociology of law, criminal justice reform, policy and practice, and security governance. He is a leading researcher and author on police and policing, security, and criminal justice reform in Nigeria. He teaches criminology, penology, and sociology of law at the University of Jos.

### Professor Bolaji Owasanoye - *Member*

The current chairman of the Independent Corrupt Practices and Other Related Offences Commission (ICPC). He has proficiency in teaching the legal aspects of external debt management, corporate law, human rights, and strategic governance among others. He was the pioneer executive secretary of the committee.

# Strategy

## Overarching Plan: National Anti-Corruption Strategy

The National Anti-Corruption Strategy (NACS) is the method by which the incumbent administration combats corruption in various sectors. The main objective of the NACS is to identify and close existing gaps in current anti-corruption initiatives. The implementation of the strategy is being driven by a 17-person team of members from across various MDAs and civil society.

## Key Action: Asset Recovery

The Asset Recovery Strategy is designed to immediately tackle one of the country's biggest challenges: recovering stolen assets leaked through a weak criminal justice system. The strategy was designed with a focus on enhancing recovery processes through a non-conviction-based (NCB) asset forfeiture mechanism (AFM). This strategy was adopted by the government in December 2015.

## Supporting Policy: Whistleblowing Policy

Introduced in 2016, this policy was designed in response to the need to gather intelligence in support of the asset recovery process. Beyond this, the policy extends to matters of public interest, including breaches of financial regulation, misappropriation of public funds, stolen or concealed public funds, and other unethical behavior that has a negative impact on the integrity of Nigeria. A current draft legislation seeks to turn this policy into law.

## Supporting Initiative: PICA

PICA was set up to weed out ghost workers, sanitize the nation's payroll, and reduce Nigeria's bloated civil-service sector in order to free up funds for capital projects, which provide socio-economic infrastructure. PICA is also the unit within the Ministry of Finance that supervises the Whistleblowing Policy.

## Existing Policies Implemented for System Strengthening

### Treasury Single Account (TSA)

TSA is a financial policy aimed at consolidating inflows from all government ministries, agencies, and departments (MDAs) into a single account with the Central Bank of Nigeria. This policy, initially proposed in 2012, came to full implementation in 2016. By the third quarter of that year, the government had consolidated and taken full control of over \$15 billion in cash assets. The number of bank accounts operated by MDAs reduced significantly, from over 20,000.

### Bank Verification Number (BVN)

The BVN is a biometric identification system introduced by the Central Bank of Nigeria to curtail or reduce fraud in banking transactions. It is a security initiative that works by recording a photograph and fingerprints for every individual who has a bank account there.

As with any program, these initiatives are not without challenges. For example, at the start of the implementation of the TSA and the BVN, there were over 20,000<sup>5</sup> bank accounts operated by various MDAs across the country, and therefore the government often lost track of accounts. While those numbers have dropped significantly, there are still challenges with the implementation of the TSA, as some MDAs continue to violate the guidelines<sup>6</sup> by brazenly operating bank accounts in commercial banks.

The Whistleblower Policy, in spite of the gains it has led to, still has no supporting law enacted to further protect whistleblowers. If a whistleblower's identity is compromised for any reason, there is no system in place to offer protection. An example is the case of Aaron Kaase,<sup>7</sup> who lost his job and was only able to regain it through the intervention of Corruption Anonymous (CORA), an accountability and good governance project of African Centre for Media & Information Literacy (AFRICMIL), a MacArthur Foundation grantee.

<sup>5</sup> <https://allafrica.com/stories/201907180611.html>

<sup>6</sup> <https://allafrica.com/stories/201907180611.html>

<sup>7</sup> <https://www.premiumtimesng.com/features-and-interviews/302641-feature-despite-gains-nigerias-whistleblowing-policy-not-enough-to-fight-corruption.html>



## The “Upstream Wins”



**\$1.6million  
Saved in total**

Despite their continued challenges, these efforts have led to the recovery and repatriation of billions of dollars in stolen funds into the country’s Treasury Single Account. As a byproduct, these efforts also helped to identify the main channels through which the country was being drained of funds—ghost workers, bloated personnel costs, and irregular remittances of salaries and allowances, to name a few—making it clear which areas of the country’s activities need to be more closely monitored to curb corruption moving forward.

The implementation of the Asset Recovery Strategy within the broader National Anti-Corruption Strategy and its supporting initiatives has also led to behavior changes among corrupt public officials. Leaks in the system—such as public servants receiving multiple salaries—have been discovered through the BVN implementation process.<sup>8</sup> Individuals



**\$4.1billion  
Recovered in total**

with bank accounts who could not explain the source of their wealth were forced to abandon their accounts as a result of not participating in the BVN process. In the same vein, MDAs storing public funds in multiple bank accounts were forced to reveal and transfer funds to the TSA, thereby stopping funding leaks.

Further, the Whistleblowing Policy, designed to inspire citizens to take action and actively participate in the anti-corruption strategy, has empowered citizens to hold the government to account. The legal foundation upon which this policy was built is found in the 1999 Nigerian constitution, **Section 24 (1) e<sup>9</sup>**, which states that **“It shall be the duty of every citizen to render assistance to appropriate and lawful agencies in the maintenance of law and order.”**

<sup>8</sup> <https://www.dailytrust.com.ng/bvn-and-payroll-fraud.html>

<sup>9</sup> <http://www.nigeria-law.org/ConstitutionOfTheFederalRepublicOfNigeria.htm>

*“ It shall be the duty of every citizen to render assistance to appropriate and lawful agencies in the maintenance of law and order. ”*

- Section 24 (1) e, 1999 Nigerian Constitution

As citizens become more empowered to take action, a culture shift is gaining momentum. Where corruption previously went unchecked and was displayed brazenly without the fear of repercussion, today individuals are more circumspect about lavish displays of wealth and are growing intolerant of unsatisfactory reasons for a lack of accountability. This

shift has seeped into the mainstream through cartoons and caricatures of public officials who came up with ludicrous excuses for funds they could no longer account for. This public response tells the story of an alive, engaged, and aware citizenry.



## Money Recovered

The Asset Recovery Strategy provides an innovative method for returning stolen funds hidden in hard-to-reach places. The full implementation of the strategy, along with supporting policies and initiatives, has led to the recovery of a total of **\$4 billion** between 2015 and 2018.<sup>10</sup>

Amount Recovered	Source
\$73 million	<i>Proceeds of crime in a high-profile corruption case in the petroleum industry</i>
\$795 million	<i>Repatriated from Switzerland, the U.S., and the UK</i>
\$430.8 million	<i>Recovered through the Whistleblowing Policy</i>
\$2.6 billion (N 1 trillion) <sup>11</sup>	<i>Recovered assets</i>
<b>Total amount recovered: \$4.069 billion</b>	

*Stolen Funds Recovered as reported by PACAC (2015 - 2018)*

<sup>10</sup> Appendix A: Presidential Advisory Committee Against Corruption Report 2015 - 2018

<sup>11</sup> Appendix B: Presentation by Prof Itse Sagay at The 1st African Day Of Anti-Corruption

## Money Saved

Through operationalizing the BVN, TSA, and PICA initiatives, the government institutionalized processes for the prevention of corruption in the future. For example, the BVN, which is used to monitor banking transactions, also helps to more effectively cut down on the flow of illicit

funds by maintaining a watchlist database of individuals confirmed to be involved in fraudulent activity. PICA itself has stopped the leakage of funds currently totalling over \$1.6 million (N 592.3 billion).<sup>12</sup>

**Total savings in 2016: N97,939,974,344.25**

*Funds saved through payroll verification, reduction in allowances, and a reduction in personnel costs*

**Total savings in 2017: N110,461,098,196.00**

*Funds saved through personnel verification exercises, personnel costs, and a reduction in regular allowances*

**Total savings in 2018: N387,888,899,702.16**

*Funds saved through a personnel audit, personnel verification exercises, and whistleblower prosecutions*

Throughout the process of implementing the National Anti-Corruption Strategy, a central element that has influenced the success of the strategy is the variety of unrelenting platforms and organizations that acted as a vehicle for citizens' voices. Since 2015, media and civil society organisations (CSOs) have been stepping in to support the protection of whistleblowers through advocacy, tracking, and monitoring activities. For example, various investigative journalism reports from media

houses like *Premium Times Center for Investigative Reports (PTCIJ)*, *The Cable News*, *Daily Trust*, and more not only kept citizens abreast of developments and initiatives as they unfolded, but indirectly supported anti-corruption efforts by exposing and highlighting major corruption cases. This illustrated to citizens that changes were underway and that fraudsters were going to be held accountable for their actions.

<sup>12</sup> Appendix A: Presidential Advisory Committee Against Corruption Report 2015 - 2018

## *Downstream Impact*

In 2017, about 20 percent of the \$23 billion (N 7.44 trillion) budget was financed from asset recovery efforts across the previous years. In 2018, recovered funds accounted for 7.2 percent of the \$25 billion budget. With all this work done to recover large sums of money, the government was tasked with reinvesting those funds. Thanks in part to donors,

bilaterals, and multilaterals who provided conditional support through private consultations, the government was persuaded to channel its recovered funds toward social investment. This in itself is a deviation from the norm. In most countries, such funds would be channeled into capital projects for infrastructural development.

## *Money Well Spent*

In Nigeria, funds are now going directly to citizens who need them the most and are reaching beneficiaries in a timely fashion through the Nigeria Social Investment Program (NSIP). The NSIP was established in 2016 with a mission to tackle hunger and poverty across the country by working to ensure a more equitable distribution of resources to vulnerable populations including children, youth, and women. The program, through its model and design, aims to help fulfill Nigeria's Sustainable Development Goals.

Four programs are currently being implemented by the NSIP: Conditional Cash Transfers (CCT), the Government Enterprise and Empowerment Program (GEEP) also known as "Market Moni," the National Home Grown School Feeding Program (NHGSFP), and Empowering Nigerian Youths for Prosperity (N-Power).<sup>13</sup>

<sup>13</sup> <https://n-sip.gov.ng/>

## Four Programs Currently Being Implemented By NSIP

### Home Grown School Feeding Program (HGSFP)

**Objectives:** To increase enrollment and completion rates at the primary school level by supplying meals at school. It simultaneously creates jobs through recruitment of local cooks and promotes the community value chain by procuring food from local producers.

**Number of beneficiaries:**  
9,963,726

### Government Enterprise and Empowerment Program

**Objectives:** To provide traders, business women, women cooperatives, artisans, Micro Small and Medium Enterprises (MSMEs), enterprising youth, farmers, and agricultural workers with access to financial services.

**Number of beneficiaries:**  
2,238,334

### N-Power

**Objectives:** To help young Nigerians acquire and develop lifelong skills that help them to become solution providers in their communities and active players in domestic and global markets. Through apprenticeships, beneficiaries learn hands-on trades and are paid a stipend by the government.

**Number of beneficiaries:**  
549,500

### Conditional Cash Transfer

**Objectives:** To provide targeted cash transfers to poor and vulnerable households with the aim of moving them out of poverty.

**Number of beneficiaries:**  
408,682

## One Program, Multiple Impacts

The Home Grown School Feeding Program (HGSFP), with almost 10 million beneficiaries, has had the most impact on lives at the grassroots level. The HGSFP has reduced the number of out-of-school children while addressing malnutrition (particularly among the poor) by providing one locally-sourced meal every day for each child in primary school levels one to three. The program, as designed by the National Social Investment Office (NSIO) and formerly led by Mariam Uwais, is intentionally designed to empower cooks and also support local agriculture through sourcing from small holder farmers.

While the current figures of school enrollment are not available, the Ministry of Education recently reported that the number of out-of-school children has dropped from 10.4 million at the beginning of the program in 2015 to 7.9 million in 2019.

By requiring that ingredients be sourced from local farmers and that all cooks be hired locally, and requiring each cook to open a bank account in order to be paid, HGSFP stimulates economic growth throughout the socioeconomic value chain. It accomplishes this by:

- **Providing food and nutrition for children in primary school levels one through three.** The program provides food at a cost of \$0.19 (N 70) per child.
- **Increasing financial empowerment and inclusion.** To ensure that the meals provided to children are of the highest quality, one cook is hired for every 60 children. To date, HGSFP has employed over 170,000 cooks, 97 percent of whom are women.
- **Strengthening the agriculture value chain.** Because the program requires that cooks source their ingredients locally, there has been an increase in the agricultural value chain of products like eggs and rice across the country. Currently, 8.4 million eggs are being consumed by this program each week. With over 9.9 million children and counting being fed, the program is expected to provide farmers with a continually consistent market for their products.


As with all programs that involve huge sums of money in a country that is still working its way out of corruption, the HGFSP is not without its challenges. The ICPC recently arrested two public officials in Kogi state for “unlawful and unethical deductions” from the accounts of cooks. These two officials used letters purportedly signed by the cooks stating that

“a blanket and unspecified amount be moved to ten different business accounts from the cooks’ accounts.”<sup>14</sup>

As a result, the leadership of the Social Investments Program (SIP), with Maryam Uwais at the helm, required that all of the program’s initiatives undergo third-party monitoring to ensure transparency and accountability. This move enabled several CSOs, many funded by the MacArthur Foundation, to monitor and report on the progress of the program. Some such organisations include Action Aid, the Human and Environmental Development Agenda (HEDA), Federation of Muslim Women’s Associations in Nigeria (FOMWAN), the Centre for Women’s Health and Information (CEWHIN), The Education Project (TEP), Socio-Economic Rights And Accountability Project (SERAP), the Africa Network for Environment, the African Centre for Media & Information Literacy (AF-RICMIL), the Nigerian Economic Summit Group (NESG), and the African Network for Environment and Economic Justice (ANEEJ).

HEDA, for example, has set up a quarterly anti-corruption situation room that brings stakeholders together to discuss challenges. One room was set up in Maiduguri, where SIP beneficiaries spoke to their experiences and, through these conversations, raised issues that were either immediately addressed or forwarded to the relevant anti-corruption agency to be handled.

 **170,000 Cooks**  
To date HGSFP has employed over 170,000 cooks,

 **97% of whom are women.**

<sup>14</sup> [icpc.gov.ng/2019/11/03/fgs-school-feeding-programme-icpc-arrests-two-over-alleged-n68m-fraud/](https://www.icpc.gov.ng/2019/11/03/fgs-school-feeding-programme-icpc-arrests-two-over-alleged-n68m-fraud/)



## Lolade

### *The Local Cook*

Lolade is a mother of three children living in the suburbs of Osun State. Before being hired as a cook for the HGSFP, she would make puff-puff (a fried pastry made of sweetened dough and shaped into small balls) every morning and sell it to passersby. Her husband drives a “keke”<sup>15</sup> and uses the proceeds to care for the family. Her two younger daughters attend the model primary school she cooks for, while her eldest attends public secondary school.

She sometimes feels pressured by management of the school she cooks for to compromise on the food standards so that they can take a cut from her payments. She is afraid to refuse this request as doing so may jeopardize her new job.

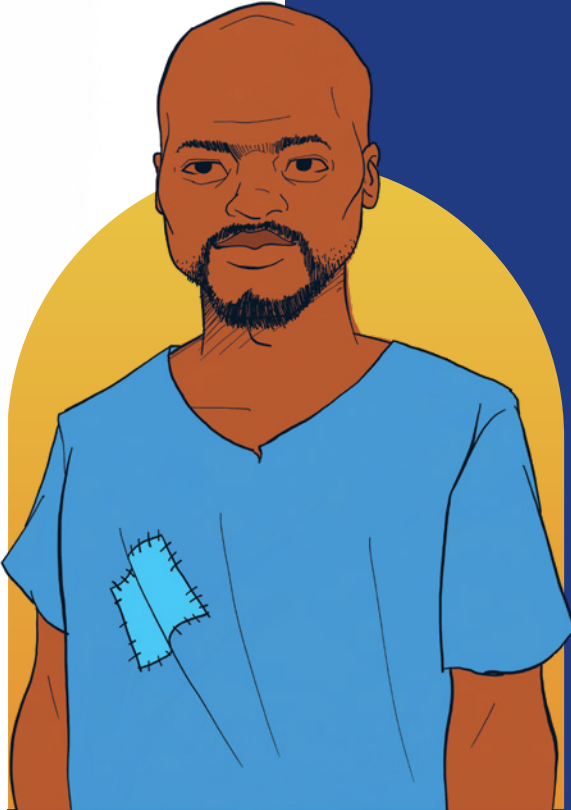
She has a bank account now, and plans to save as much as she can from her monthly payments, so she can rent a small space closer to town and set up a buka.<sup>16</sup> She hopes to be able to keep sending her three daughters to school up to the tertiary level. Thanks to her new job cooking for the children in the primary school in her area, she believes she can.

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<sup>15</sup> A 3-wheeled vehicle used for transportation in Nigeria, and more commonly used within local or semi-local areas within states in Nigeria.

<sup>16</sup> The word buka, borrowed from Hausa and Yoruba and first attested in 1972, refers to a roadside restaurant or street stall that sells local fare at low prices.





## Chigozie

### *The Farmer*

Chigozie is a father of five children who uses the products and proceeds from his farm to feed his family. His wife helps him on the farm twice a week in addition to taking care of the children. His two eldest sons are in senior primary school, his two middle children are in junior primary school, and his youngest is still an infant.

He hopes to be able to send all his children to school to get a higher education, but wishes that his sons could help out more on the farm. He wants to improve his crop yield of tomatoes, yams, corn, and other seasonal vegetables, but access to fertilizer has been a challenge.

He is a part of his local farmers cooperative where he learned that the HGSFP presents opportunities for higher demands for his farm products. He has a bank account now, and even though sometimes his payments from the school do not arrive in a timely fashion, he knows his earnings are safe.

He now plans to save his earnings to set up a poultry farm for his wife so that the family can be supported by both farms.



## Mariam

### *The Child in Primary Three*

Mariam is the fourth child in a family of five. She lives at an internally displaced persons (IDP) camp in Kano with her parents and four siblings. They have lived there since their village was raided by members of Boko Haram.

Mariam hopes to get back home someday soon. She misses her neighborhood friends and being able to climb trees to get fruit. More than anything, she misses being able to have three full meals every day.

Her parents were encouraged by aid workers to send her to school so that she will have at least one meal each day. She learns a lot in school, plus she gets fed. She always looks forward to mealtimes! At the school she attends, she typically gets an egg, fish, or chicken with her meal that she saves to share with her two-year-old brother back at camp.

Sometimes the food is enough to quell her hunger, other times it is not. But Mariam always looks on the bright side because she still has her family.



## Conclusion

This case study is one example of how strategic investments in public sector governance “upstream,” and the surrounding accountability ecosystem, can leverage relatively small amounts of philanthropic funding to deliver national-scale improvements in education, agriculture, and livelihoods. It has also shown how anti-corruption decisions made at the highest levels of government can lead to impact at the lowest, broadest levels of the population.

When the MacArthur Foundation set out to support PACAC with funding for its activities, it could not have fully foreseen the impact that its decision would have on the nutrition, education, and future of children like Mariam, nor could it have envisioned the benefits that would come to cooks like Lolade or farmers like Chigozie. The following learnings from this research have the potential to inform the design of engagement models for donors working to support countries in strategically tackling a variety of domestic issues in truly impactful ways.

## Learnings

The following learnings can illustrate how donors working in Nigeria and other contexts with similar governance landscapes can consider building downstream impact into their own programming.

- **Savvy “upstream” investments in governance can contribute to outsized results.** Development challenges at the grassroots level are inherently linked to politics, and philanthropic efforts are often in vain unless supporting politics are in place. Political misalignment is often the cause of variations between intended impact and actual results, as well as a lack of sustainability. By investing in the success of inside entities like PACAC that are championed by key reformers at the highest level, donor funds were able to improve the way public resources were managed and spent and in ways that would not have been possible by working only from outside the government.
- **The institutionalization of government processes can lead to increased likelihood of sustainability.** PACAC’s most impactful role may be its successful track record in operationalizing anti-corruption strategies and commitments made to the Nigerian public. Often donor support to technocrats can be limited by the mandates or abilities of government entities to see recommendations through politics and into implementation. In this case, the makeup of PACAC and its mandate to operationalize strategies made it possible for the funds and support from a number of development partners to result in

implemented policies and institutionalized processes. These changes have brought about behavior changes that, if they stick, will turn into “the new norm” for governance in Nigeria.

- **It takes an ecosystem to hold the government accountable.**

Beyond supporting the government, donors supported civil society, media, and others outside government entities to generate the public awareness that led to a consistent pressure to implement an anti-corruption agenda and deliver impactful social investment programs. For example, the On Nigeria program was the first of its kind in scale to astutely invest in investigative journalism, which led to an onslaught of anti-corruption information. The engagement of social media influencers, radio personalities, and grassroots movements transformed that information into public dialogue and leveraged the same spaces that politicians watch to track public sentiment.

- **Shifting social norms requires stamina and creativity.**

PACAC’s effort shows how behavior change can be influenced through better public spending. However, it remains to be seen the extent to which this will take hold in terms of sustainably shifting the social norms around corruption. Funders interested in

shifting social norms should consider the merits of starting with a strong understanding of the drivers of social norms, and find creative ways of leveraging partnerships with them, as opposed to asking more traditional partners to do this work.

- **Financial inclusion for women can happen organically.** By stimulating economic growth and providing a financial safety net for women, over 100,000 women were employed through the HGSFP. This has greatly increased the potential for women to contribute to the economy and transform society for present and future generations. Funders interested in ensuring that women receive the benefits of greater financial inclusion can work to understand the ecosystems that women live in, and support the policies that are designed to organically respond to and mainstream their socioeconomic needs, as a part of larger social inclusion programs.



# *Recommendations for Building on the Gains of PACAC and HGSFP*

To sustain the gains these initiatives have produced, the strategy for support to anti-corruption will naturally need to be updated to reflect evolving contextual challenges. As the SIP is transitioning to be housed within the newly created Federal Ministry of Humanitarian Affairs, Disaster Management and Social Development (FMHDSD), this presents a shift of the political landscape which will impact the National Social Investment Office (NSIO). Fortunately, public and civil society perceptions of the Social Investment Program (SIP) are relatively good due to its successes to date.

In order to align with shifting challenges, donors should update their strategies to support anti-corruption across changing landscapes and, where possible, work with reform-minded actors and other donors to continue the impactful work that has already started and maintain the current positive public perception.

## Specific recommendations for building on the gains of PACAC and HGSFP

With an implementation informed by a strong understanding of the evolving landscape, donors might consider the following immediate recommendations:

- Support the engagement of empowered anti-corruption allies and other relevant government decision-makers to carry out the anti-corruption agenda and communicate effectively with the public about topics such as the implications of social development gains.
- Increase support to accountability actors, including media that focuses on corruption investigations and

CSOs that are monitoring the operationalization of the ongoing anti-corruption strategy, as well as the implementation of social investment programs.

- Maintain or increase the frequency of independent data generation and analysis around development results (e.g., the number of children in school) to add evidence to support conversations with new government actors and accountability organizations.