

## **MEMO ON A BILL FOR AN ACT TO ESTABLISH THE CIVIL SOCIETY REGULATORY COMMISSION.**

### **1.0 Background**

The civil society organizations are non-profit voluntary citizens group organized for a common interest or to perform a variety of service and humanitarian functions. They are usually funded by donations and are exempted from paying tax in Nigeria. The number of NGO's in Nigeria cannot really be ascertained but they are many. The relationship between the government and civil society organizations has become complex such that both have to find more optimal modes of engagement. While there are many reasons for these developments there are also some concerns resulting from a lack of adequate regulatory frameworks that can accommodate a much more diverse and expanded set of civil society organization.

The Companies and Allied Matters Act 1990(CAMA) requires organized civil society organization to be incorporated as "Incorporated Trustees or Company Limited by Guarantee" The essence of this is to confer legal personality on them and to define their administrative structures and functions for the benefits of any person who is interested in dealing with them. However, there are so many private organisations in Nigeria, who are projecting themselves or operating as civil society organisations that are not incorporated under this law or any other law. Similarly there is no establishment created by law to monitor and regulate the activities of even the civil society organisations which are incorporated. It is these deficiencies, amongst others that this Bill intends to address. The establishment of a regulatory body for civil society organizations in Nigeria is long overdue. Several countries have taken steps to regulate the activities of civil society i.e. UK (the charity commission), Ireland, Uganda, Ethiopia, Sudan, Zambia, Sierra Leone etc

### **2.0 Objectives of the Bill**

The objective of this bill is to establish a body known as the Civil Societies Regulatory Commission which shall be charged with the responsibility of regulating the activities of civil society organizations operating in Nigeria, and to provide for other matters related thereto.

### **3.0 Benefits of this Bill**

The benefits of this bill are several, but I would highlight some;

#### **3.1 Develop data base on civil society organizations in Nigeria.**

The first reason for this Bill is to create an organisation that would be saddled with the responsibility of developing a data base on all civil society organisations operating in Nigeria for record purposes and for ease of reference. There are so many civil society organisations operating in Nigeria, It is important to have records of their actual number, addresses, area of focus and their operators for planning purpose.

### **3.2 To curb abuse of the right to assemble freely and to associate.**

The legal bases for the setting up of several civil society organisations is section 40 of the Nigerian constitution (as amended) which provides "*assembly freely and associate with other persons, and in particular he may form or belong to any political party, trade unions or any other association for the protection of his interest*". It should be noted that this right is not absolute. The right to assemble freely and to associate is permitted if the purpose is legal and genuine. Another purpose of this Bill is to ensure the monitoring and supervision of all civil society organisations to ensure that their activities are legal and genuine.

### **3.3 Accountability and Transparency**

Unlike public agencies whose activities are opened to public scrutiny and accountability, the activities of most civil society organisations are not opened to public scrutiny and accountability. Their activities are run at the whims and caprices of their chief executive officers or founders. Because of the very critical role civil society organisations play in democracies like Nigeria, it is necessary they adopt democratic tenets and ethos in their operations.

### **3.4 To Curb Fraud and Misuse of Donations**

Another reason for this Bill is to curb frauds and misuse of financial donations. Civil society organizations are exempted paying tax because they are believed to be involved humanitarian activities i.e. charity. In other words they are a nonprofit organization who relies on donations for funding. However, some of these civil society organisations are just smoke screen by their operators to perpetuate fraud and other illegal activities. We have heard stories of several Nigerian based civil society organisations fraudulently soliciting for donations from international developments and donor agencies. After obtaining such funds, some of them cease to exist while some convert such funds to personal use. These negative developments have led to some International development agencies and donor agencies to blacklist Nigeria thereby depriving genuine civil society organisations from benefitting from such funds. If this Bill is passed, this fraudulent practice would be reduced or stopped.

### **3.5 To Develop and Enforce Code of Conduct.**

In the absence of a regulatory regime, the terrain of the civil society organisations, is infested by all kinds of characters and players. There are no operational guides or standards to be observed by players. The proposed commission when becomes functional shall be responsible for developing and enforcing code of conducts for civil society organisations and their operators.

### **3.6 Transfer of properties and assets and on cessation of Civil Society Organisation**

By law the properties and assets of every Civil Society Organisations belong to the organisation as opposed to operators of the civil society organisations. For this reason when a civil society organization ceases to exist or is liquidated, the properties and the assets are transferred to another civil society organization with similar objectives for continuity so that the intentions of the donors may be realized. However, this well established practice amongst humanitarian organizations worldwide is rarely observed in Nigeria. The moment the founder or promoter of a civil society organization dies in Nigeria, the assets and liabilities of the organization are taken over by the family members of the deceased as their inheritance. With this Bill such properties and assets would be transferred by the commission to another civil society organization with similar objective for continuity

### **7.0 CONCLUSION**

At this point I would like to yield the floor to other members who i believe are itching to make their contributions in support of this Bill. I hope that at the end of the day the house will support the passage of the Bill.

Mr. Speaker, honourable members' thank you very much for the audience and your time.