

PPF HANDBOOK

POLITICAL PARTY

FINANCE HANDBOOK

INEC

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CONTENTS

| | | |
|--------------------|--|-----------|
| | Foreword | 3 |
| Chapter I | History of Political Party Finance in Nigeria | 4 |
| Chapter II | Relationship between INEC and Political Parties | 12 |
| Chapter III | The Role of the Political Parties Monitoring Unit in Political Party Finances | 16 |
| Chapter IV | Political Party Funding and Finance- The Legal Perspective | 19 |
| Chapter V | An overview of Party Finance and Accounts | 25 |
| Appendix | Code of Conduct for Political Parties | 30 |

FOREWORD

Existing Nigerian Laws do not regulate the campaign expenditures of the individual candidates who are contesting elections. However, the laws require the Commission to exercise control over political campaign expenditures. The Constitutional and other legal provisions envisage every political party to maintain proper accounts of its funds. Section 225 (2) of the Constitution specifically requires the political parties to disclose their sources of funds and their manner of expenditures.

The political parties and their candidates draw campaign funds from diverse sources which may be beyond the capacity of the Commission to fully monitor. Also the Commission lacks any enabling authority to enforce strict obedience to the laws. As a first step, it therefore becomes imperative for the Commission to device ways and means of implementing the reporting, disclosure of all monies and assets received by the political parties in aid of their campaign effort.

I feel confident that the Manual and the various reporting forms contained therein will lead to a significant improvement of the administrative procedures and practices. The ability of the Commission to enforce compliance with the various laws may be greatly enhanced.

The development of the Manual has been greatly assisted by the International Foundation for Election Systems (IFES). IFES made available to the Commission, international experts on campaign finance. The experts spent several weeks in Nigeria, working with the Commission, the political parties and other stakeholders. I commend the efforts of all the resource persons, from the Commission, the political parties and other stakeholders who worked co-operatively to develop the Manual.

Sir Abel I. Guobadia, KSA

Chairman

2004

16 DECEMBER,

HISTORY OF POLITICAL PARTY FINANCE IN NIGERIA

Introduction

Nigeria is one of the most populous countries in the world and the largest in Africa, with a population of approximately one hundred and twenty million people. Over three decades of military rule distorted social values and undermined democratic institutions in Nigeria. Also, the oil boom of the 1970s introduced increased cash flow that served to deepen rent-seeking behavior in the country especially in the absence of a political culture that promotes and supports transparency and accountability. The result has been the pervasiveness of corruption in all spheres of public and private lives. This trend is also encouraged by lack of social and economic empowerment for the majority of the people who also are largely excluded from participating in the political process and have no means to hold political leaders and their administrations accountable for their decisions and actions.

The 1999 General Elections led to the handover from military to civilian rule in May 1999. The political transition that started in 1999 advanced to its “second phase” with the 2003 elections which represented *the* critical hurdle for democracy in Nigeria. Until the April 2003 elections the country was generally believed never to have successfully negotiated a handoff from one civilian, elected government to the next.¹ But the success of the 2003 elections could only mark a new degree of security from military intervention in politics rather than the consolidation of democracy in Nigeria. The 2003 elections produced accepted winners and a new government was installed. But Nigeria’s democratic institutions are largely weak and undeveloped. Arguably the democratic system in Nigeria is still in its infancy, and forces are always at work that could undermine the foundations of a new democracy. This is the context in which the measure of success recorded in Nigeria’s political transition mainly provides the challenges ahead in the task towards consolidation of democracy. One of the challenges is ensuring transparency in the electoral process.

The journey to civil rule after the military incursion of 1983 dates back to the mid-1980s. In his 1986 Budget Speech, President Ibrahim Babangida announced the setting up of the Political Bureau to review Nigeria’s political history and identify a basic

¹. The 1983 elections were initially “successful,” but violence over the outcome of particularly the state-level polls especially the gubernatorial elections provided an excuse for the military to take over power within three months of the elections.

philosophy of government for Nigeria. The inauguration of the Political Bureau was openly welcomed by many Nigerians, and so was its profound analysis of Nigerian Political Economy. According to the Report of the Political Bureau on the national debate on the political future of Nigeria, Nigerians among other things expressed concerns about the administration and funding of Political Parties especially the seemingly freedom of limitations on Political Parties with respect to Party Funding during the 1979-83 elections. The return of the military in 1983 and the series of Political Transition Programmes by successive administrations did not significantly change the Political Culture of corruption and lack of transparency in Nigerian politics.

The broad commitment of the present administration of Chief Olusegun Obasanjo to governance reform, evident in the enactment of anti-graft laws and policies, is indicative of new policy consciousness and official perception of the problem of corruption. The Obasanjo administration set up a High-powered Technical Committee to review the restructuring of governance at the local government level. The committee was to, among other things, examine the problem of inefficiency and high cost of governance in the country, with a view to reducing costs and wastes at the three tiers of government. The committee was required to examine the high cost of Election Campaigns in the country and consider, among other options, the desirability of Political Parties, rather than individual office seekers, canvassing for votes in elections. Again President Obasanjo, in an address at the INEC-Civil Society Forum Seminar on 27th November 2003, lamented at the dangers associated with uncontrolled use of money during elections: His words:

With so much resources being deployed to capture elective offices, it is not difficult to see the correlation between politics and the potential for high level corruption. The greatest losers are the ordinary people, those voters whose faith and investment in the system are hijacked and subverted because money, not their will, is made the determining factor in elections. Can we not move from politics of money and materialism to politics of ideas, issues and development?

President Obasanjo, at the same forum, examined the cost of conducting elections in Nigeria thus:

“Even more worrisome, however, is the total absence of any controls on spending by candidates and parties towards elections. I have said that we prepare for elections as if we are going to war, and I can state without hesitation, drawing from my previous life, that the parties and candidates together spent during the last elections, more than would have been needed to fight a successful war. The will of the people cannot find expression and flourish in the face of so much money directed solely at achieving victory. Elective offices become mere commodities to be

purchased by the highest bidder, and those who literally invest merely see it as an avenue to recoup and make profits. Politics becomes business, and the business of politics becomes merely to divert public funds from the crying needs of our people for real development in their lives.”

The relationship between money and politics is a powerful one with implications for democracy, especially in new democracies. Political party finance has been identified as a source of corruption in several countries. Political finance laws and regulation, through which political parties and candidates for political office declare their funding sources, are among the main instruments. Recent history has witnessed the pooling together of resources all over the world into a network of global awareness against unregulated use of money in politics. The critical forces in this consciousness mobilization include mass mobilization on global scale, capacity building for civil society organizations and support for electoral reform programs by bilateral and multilateral donors and development partners. All around the world there is increasing pressure for the regulation of private funding to political parties. In the US, the McCain-Feingold Bill was passed and in UK the Political Parties, Elections and Referendums Act was passed in 1997 after a series of allegations of corruption. In South Africa the demand for regulation is growing. At African regional level the AU Convention on Combating and Preventing Corruption includes a clause on the importance of regulating private funding and calls states to do so. As Nigeria derives more strength from the global current and the new policy consciousness against corruption is institutionalized via the creation of agencies and commissions, more attention need to be paid to how to regulate political party funding. The links between party financing and corruption are so important that to ignore party financing is simply to open wide the door for corruption. Looking into Nigerian political history one realizes that there is much that need to be done in this regard.

Practices before 1998/99 elections

The 1959 election preceded the grant of Political Independence to Nigeria in 1960. The electoral laws under which elections were conducted throughout the period of the 1950s and 1960s were derived from the provision of the British Representation of the Peoples Act of 1948/9 and regulations made in it. The 1959 elections were conducted under the provision of the Nigeria (Electoral Provisions) Order-in-Council, LN 117 of 1958 enacted by the British Parliament. During this period there was no clearly defined regulatory framework on party finance and the funding of political parties was pre dominantly through private funding as parties and candidates were responsible for election expenses. The absence of strict legislation to regulate party finance made it possible for politicians and political parties to engage in illegal party financing and corruption in the First Republic. At least two dramatic cases of corruption involving political parties were judicially investigated. In 1956, the Foster Sutton Tribunal of Enquiry investigated allegation of impropriety in the conduct of some politicians from the National Council of Nigerian Citizens (NCNC) with business interests in the African Continental Bank (ACB). Similarly in 1962 the Coker Commission of Inquiry was set up to look into the affairs of six Western Nigeria public corporations that were allegedly involved in corruption with the leadership of the Action Group.

During the Nigeria's Second Republic (1979 -1983) a combination of private and public funding was used for the first time. The political parties occupied the central position in the politics of the Second Republic. The 1979 Constitution clearly states that "No association other than a Political Party [was allowed to] canvas for votes for any candidate at any election or contribute to the funds of any political party or to the election expenses of any candidate at an election". The 1979 Constitution in Section 205 empowers the National Assembly to make laws "for an annual grant to the Federal Electoral Commission for disbursement to Political Parties on a fair and equitable basis to assist them in the discharge of their function". Government accordingly rendered financial assistance to the parties by way of subventions. In addition, private funding, except from outside Nigeria, was allowed, according to Section 205 of the 1979 Constitution. There was no limit on how much corporate body and individuals could contribute to political parties. Apart from the ban on political parties from receiving external funds as in Section 205 of the 1979 Constitution and the prohibition of associations other than Political Parties from making contribution to the funds of Political

Parties or the election of any candidate at any election, as in Section 201 of the 1979 Constitution, there were no stricter Constitutional or Statutory regulation on the use of party financing such as those of disclosure of donations to Political Parties. The result was illegal use of money to influence decision making in Political Parties and the political process in general.

Although the 1979 Constitution provided however for some form of check especially with respect to external control of political parties. Even that was not achieved in the 1979-1983 elections. The loopholes were exploited by the financially and politically ambitious few that eventually were able to use their wealth to hijack Political Parties of their choice. With unbridled use of money little or no attention was paid to political mobilization by those seeking elective positions. Politicians attached much importance to money which they used to buy the votes of the electorates. The experiences of the 1979 and 1983 elections were such that political parties and politicians had unrestricted freedom to use money from both legal and illegal sources to finance their campaigns and other activities associated with their election expenses. During the Second Republic the role and activities of 'contractors' in government and political parties, and other cases of political 'patronage' became very rampant. The reports of the various special tribunals that tried politicians and office holders revealed gross abuse of public office and impropriety in dealing with political parties.

Some Issues of Concern

Details of subventions to Political Parties are not readily available. But it is common knowledge that Political Parties to some extent are funded by the Nigerian taxpayers. This makes accountability and transparency in party financing very imperative and also an issue of great national value.

Admittedly, there are no available records on the exact amount of money spent by Candidates and Political Parties. However, there are indications of heavy reliance on private funding in the last two elections in Nigeria. More so that virtually all the parties lack the organizational capacity to generate their own income through other sources. According to President Obasanjo, "the parties and candidates together spent during the last elections, more than would have been needed to fight a successful war". This view of Mr. President is corroborated by a perceptive writer who observed that "More than any election in Nigeria's chequered political history, the 2003 national elections was determined by how much money candidates had. The electoral process has become so expensive that only the rich or those dependent on rich backers can run". The writer also noted that "There is also the disturbing trend of questionable business people backing candidates with 'grey money". The increasing influence of 'godfatherism' in contemporary Nigerian politics can be linked to the influence of money in electoral politics through uncontrolled party financing as was witnessed in the 2003 general elections. The absence of effective regulation of the amount of private funding that Political Party can receive from private sources made all forms of political mercantilism attractive and possible.

Conclusion

The issue of legal regulation on the activities of Political Parties and its finance-related aspects often in most cases do not receive adequate attention in the first phase of political transition as we have witnessed in Nigeria in the period between 1999 and 2003. But as the Nigerian political transition progresses towards the consolidation of the foundation for democracy, the need for a clear set of rules and strict control over political funds cannot be over-emphasized. The objectives of regulations concerning political money can vary considerably, depending on the stage of democratic transition. In the particular case of Nigeria, the aims of legislation on party finance should target the following: (i) controlling fraud and political finance related corruption; (ii) promoting active and efficient political parties; and (iii) ensuring openness and transparency in the electoral process. Based on what exists on ground in Nigeria, the above can be translated to reviewing the existing legislation to accommodate regulation of sources of income of candidates and parties (including foreign funding, subsidies-in-kind, and political expenditure) and paying more attention to implementation through sanctions. Also regulation to promote financial transparency and accountability in the activities and operations of political parties should be encouraged. We therefore recommend the introduction of verifiable disclosure and procedures and enforceable ceilings for all finances, whether party's or candidate's. Easy accessibility to basic information as who gives to whom and for what should be guaranteed. There is also the need to draw the line on the limits of contributions as well as decide whether it is more prudent to contribute to the party, and not candidates. For this to be achieved there is need to strengthen the capacity of INEC to deal with the problem of party finance. The Civil Society and the Political Parties are critical stakeholders in the Nigerian Electoral Process. Both have responsibility to promote civic and voter education on the negative consequence of irregular party financing on democracy. The Political Parties have responsibility to promote transparency and accountability in their operations. To be able to do this effectively they need assistance such as this manual provides.

This manual is one effort in the direction to promote cooperation between INEC and Political Parties toward promoting transparency in the Nigerian Electoral Process. Its main purpose is to shed more light on the financial reporting requirements of Political Parties in Nigeria. It is also expected to assist the parties to report their financial transactions in a proper and transparent way. The manual is user-friendly introducing and explaining new reporting forms prepared by INEC. We do hope that it would become

PPF HANDBOOK

a useful tool for all the Political Parties with respect to financial reporting and help INEC to build closer relations with the Parties.

CHAPTER II

THE RELATIONSHIP BETWEEN INEC AND POLITICAL PARTIES

1. Introduction

Election management bodies (EMBs) everywhere in the world necessarily interact with other stakeholders in the electoral process in the discharge of their statutory functions. Such include voters, political parties, security agencies, media organizations, observer groups, non-governmental organizations (NGOs), other government agencies, etc. The EMBs invariably owe some obligation to these stakeholders but the greatest obligation of any EMB is to the voters and political parties.

2. INEC- Political Party Relationship Under the Constitution

The 1999 Constitution of the Federal Republic of Nigeria (Section 15) details the functions of the Independent National Electoral Commission (INEC) The Section empowers the Commission inter-alia ... to:-

(a) organize, undertake and supervise all elections to the offices of the President and Vice-President, the Governor and Deputy Governor of a State and to the membership of the Senate, the House of Representatives and the House of Assembly of each State of the Federation.

(b) register Political Parties in accordance with the provisions of the Constitution and an Act of the National Assembly.

(c) monitor the organization and operation of the Political Parties, including their finances.

(d) arrange for the annual examination and auditing of the funds and accounts of Political Parties and publish a report on such examination and audit for public information.

(e) monitor political campaigns and provide rules and regulations, which govern the activities of the Political Parties.

The Constitutional provisions above define the functions of the Commission with respect to the political parties and hence underscore the relationship between the Commission and the political parties. The Commission as part of its responsibilities conducts the registration of voters and the Federal and State Elections and the Area Council Elections in the Federal Capital Territory (FCT). This is a process in which the political parties are involved.

The registration of political parties is one of the important functions of the Commission that directly affect political parties in its early life. In the first instance, a political party is not technically a political party until it is certified as one through registration by the

Commission albeit in accordance with the provisions of the Constitution as well as the recent interpretation of the Constitution given by the Supreme Court (in the case of INEC and ANOR V. Alhaji Balarabe Musa (2003) 3 NWLR (PART 806) 72.

The Commission is empowered by the Constitution to monitor the organization and operation of the political parties at all levels including their finances. The Commission also formulates rules and regulations governing political campaigns, and also monitors the campaigns. In executing this function, INEC sends a delegation of its officials to observe party conventions and congresses. A report of this observation is submitted formally to the Commission as appropriate.

Political parties are expected to receive grants from the Federal Government through INEC: the first is an annual grant, while the second grant is for election purposes. The Commission appoints External Auditors to audit the financial accounts of political parties as required by law. So far, parties do not seem to know the limit on political campaign expenses as provided by law Section 84 (2) of the Electoral Act 2002 as amended which is that the election expenses of a Political Party shall be limited to the sum determined by multiplying N20 (twenty) naira by the number of names appearing in the final voters' list for each constituency where there is a candidate sponsored by the Political Party. In addition, no party has submitted a statement of its election expenses within the time limit stipulated in the Electoral Act. Sections 225 and 226 of the 1999 Constitution provide for political party financing and the supervisory role of INEC in matters relating to party financing. The Commission on its part is encumbered in the discharge of its responsibilities in this regard especially because of inadequacies in the law. Except adequate support is given to the proposed reforms in this area by all the stakeholders in electoral process, there is very little that can be achieved by the Commission alone.

3. Monitoring Political Party's Organization and Operations

The monitoring role of the Commission is to check unrestricted use of money in politics and in turn avoid a situation where a few rich individuals hijack a party for their own personal interests which can create instability within the political system. Part of the proposed reform requires political parties to disclose information regarding their finances. This is to prevent seamy characters from infiltrating the political system and bastardizing the democratic process.

The management of political party finances entails the keeping of books and records of financial transactions as enshrined in the Constitution [Section 225(5)]. This is treated in detail in another section of this manual. It is important that all political parties keep accurate records of their financial transactions. In its monitoring responsibility, the Commission is expected to:-

- (a) audit and publish the Statement of Accounts of parties within the stipulated time in national newspapers;
- (b) ensure that no Political Party holds any funds or assets abroad, and that such funds or assets received from abroad by a Political Party are transferred to the Commission as required by law; and

(c) prepare and submit to the National Assembly a report on the accounts and balance sheet of every political party.

It is necessary for all political parties to understand the responsibilities and duties of the Commission in relation to political parties especially, and also its role toward ensuring effective electoral process. In this regard political parties are expected to cooperate with the Commission or its duly authorized agents that may, in the course of its duties by law, seek access to their books, accounts and vouchers. The Commission on its own is expected to provide support to all the registered political parties by helping them develop and implement efficient system of records keeping and information management.

4. Liaison Functions of the Commission

The Commission liaises with the parties routinely and administratively. To be able to effectively carry out its liaisons functions, the Commission is expected to know the locational address of the headquarters of all the registered political parties, and be able to, through their addresses, deliver correspondence and other forms of communication especially those conveying new developments regarding the activities of the Commission, meeting notices, dates for elections etc. Effective communication between the Commission and the parties no doubt helps to improved relationship.

5. INEC/Political Parties Consultative Forum

The Commission do meet with political parties to consult and interact on policy and operational issues. In order to further enhance the relationship between the Commission and political parties, an avenue for meeting of the two was established by the Commission in March 2001. The idea behind this is to avail the two an opportunity to consult and dialogue from time to time. The goal was to remove areas of friction as much as possible. This meeting is called “INEC/POLITICAL PARTIES CONSULTATIVE FORUM”. It was under the auspices of this forum that a “Code of Conduct” for political parties was agreed upon. The document provides guiding principles in the relationship between the following:-

- (a) INEC and the political parties;
- (b) Political parties themselves;
- (c) Voters and the political parties;
- (d) Political parties and the Government; and
- (e) Political parties and the international community.

6. Conclusion

Good relationship between the Commission and political parties which is aided by mutual understanding of role and responsibilities is extremely useful for democracy and good governance. Both the Commission and the political parties must realized that they are critical stakeholders in the electoral process; the political parties are the active players while the Commission acts as the referee to ensure that all the parties play on a level playing field and also by the rules.

The experience so far has its useful lessons for all sides. There is need for improvement in the relationship between the Commission and the political parties. Two areas that require urgent attention. There is growing concern about the influence of large anonymous contributors to political parties. While there is need for stricter regulatory framework, it should be realized that there is little point in making rules or regulations

about political party finance and funding if this is not accompanied by necessary provisions on enforcement and sanctions. On the parts of The Commission and the political parties, both should be ready to work together to ensure effective compliance with the rules on political finance. Also, another issue of concern quite related to the above is the issue of disclosure of information on finance and the accuracy of reports when submitted. Many parties are still lacking in this area. Political parties should see the issue of disclosure of information as a way of making political parties and politicians more accountable and transparent.

CHAPTER III

THE ROLE OF THE COMMISSION IN POLITICAL PARTY FINANCES

Political Party Finances are monies and assets generated and owned by the Political Parties which are used in running their day-to-day activities and other expenditures. These also include finances that are utilized in the general operations, management and maintenance of the entire party structures. The 1999 Constitution of the Federal Republic of Nigeria provides for the finances and other valuable assets of the Political Parties to be generated from both internal and external source through membership registration fees, levies, donations, subscriptions, etc Party funds can as well be generated from public donations, gifts, proceeds from lawful investments and grants by individuals or group of persons as allowed by law to the Political Parties.

Political Parties Finance worldwide is increasingly assuming new dimensions as concerns are being expressed about the need to provide a level playing ground to Political Parties and politicians. This can be guaranteed if all aspects of Political Party Finances are closely coordinated, monitored and observed. However, concerns expressed in this regard must not be mistaken to mean an attempt at streamlining the sizes, the capacities and potentials of the Political Parties or the politicians. Rather, it is a sincere desire that stems from growing fears of the likelihood that dominant Political Parties and Politicians, unless otherwise closely monitored may eventually swallow up smaller ones thereby leading to the enthronement of a one Party State and dictatorship.

Developed democracies over the years have not only demonstrated how successfully finance related activities of politicians and Political Parties could be managed, but have in the process roped- in non-governmental organizations and pro-democracy institutions positively involved in promoting the spread of these lofty goals and objectives among third world countries and emerging democracies. Nigeria being an emerging democracy cannot afford to trail behind, hence the need to join the developed democracies.

Within the context of constitutional provisions, the Commission has paid considerable attention to the organization and activities of the Political Parties since the conclusion of the elections and the installation of a civilian government on 29th May, 1999.

For the Commission to have proper monitoring records of the activities of the Political Parties, it has as one of its standing committees, the Political Parties Monitoring Committee (PPMC), charged with responsibilities for monitoring the entire activities of the Political Parties as provided for by the 1999 Constitution and other duties as spelt out by the Electoral Act, 2002. The PPMC is serviced by the Political Parties Monitoring Unit (PPMU).

Among the several duties and roles of the Political Party Monitoring Committee are: -

- (a) Maintaining liaison with all the Political Parties;
- (b) Holding quarterly meetings of the Commission with the Political Parties;

- (c) Developing a Code of Conduct for the Political Parties monitoring and enforcing their compliance with laid down rules, regulations and guidelines as contained in the Code of Conduct for Political Parties (See *Appendix*);
- (d) Advising appropriate arms of government on the provision and level of funding to the parties;
- (e) Developing guidelines for expenditure and reporting on the use of such funds;
- (f) Monitoring the Organization, Operations and Finances of the Political Parties;
- (g) Developing guidelines for the maintenance of financial records of the Political Parties;
- (h) Arranging for the annual examination and audit of the accounts and funds of the parties; and
- (i) Monitoring the conduct of Party Congresses and Conventions as and when they are held.

From the foregoing, it is clear that the Commission through the PPMC plays very important roles in overseeing the general activities and management of the Political Parties Finances. However, the PPMC, needs to work more closely with the Political Parties for greater mutual understanding and cooperation between the Commission and the parties.

Furthermore, it is expected that the rules and regulations concerning the financial activities of Political Parties are reviewed from time to time and are enforced by the Commission to make the parties more alive to their responsibilities.

Political Parties should disclose information about how they raise their funds and acquire assets, and the spending and disposal of same. This will help a great deal in the campaign for transparency and accountability.

Disclosure will curb political corruption and enable the public know more about the flow of money in the coffers of the parties. Disclosures, if properly managed will prevent the inflow of funds from illegal or criminal sources.

Therefore, disclosure of sources of funds and declaration of assets and liabilities by the Political Parties can go a long way in sanitizing our nascent democracy.

BARRIERS AGAINST EFFECTIVE AUDITING OF THE POLITICAL PARTY ACCOUNTS:

The Commission has occasionally been finding it difficult to carry out its roles effectively as contained in the constitution because of a number of reasons some of which are: -

- (1) The non-cooperative attitude of the political class and the Political Parties;
 - (2) The inability to locate the Political Parties at their various given addresses;
 - (3) The inability to differentiate between funds and other assets remitted to the Political Parties from outside the country (as prohibited for by section 225 (4) of the constitution) and lack of proper records of membership dues as well as contributions of party wings/branches located outside the country; and
 - (4) The absence of proper bookkeeping and records of financial transactions.
- (5) The problem of monitoring the source of funds spent by individual candidates who not only fund the parties but their elections.

The Way Forward

- a) The Commission should develop standard record keeping procedures and books for the Political Parties;
- b) The Political Parties should make available authentic and verifiable office location addresses whenever changes are made;
- c) The Political Parties should show greater interest and participate in the activities of the Commission such as workshops, seminars etc;
- d) INEC as a mark of transparency, equity and fairplay, will cause to be published and put on the website all information contained in the Disclosure Forms submitted by Political Parties for use of the general public and interest groups.

Chapter IV

POLITICAL PARTY FUNDING AND FINANCE – THE LEGAL PERSPECTIVE

Political Party Funding and Finance constitute an important aspect of the Electoral Process. The sources of funding and finance of Political Parties and the way and manner these funds are spent largely determine the quality and acceptability or otherwise of almost every election.

Accordingly, the 1999 Constitution and the Electoral Act 2002 have made provisions, though not exhaustive, in respect of how Political Parties could source and/or receive their funds. Limitations have also been placed on sourcing of funds from certain areas and on the extent to which Political Parties could make electoral expenses.

A. PROVISIONS UNDER THE 1999 CONSTITUTION

The Constitution confers general powers on the Commission under Part 1 of the third schedule to the Constitution particularly paragraph 15(c) thereof to Monitor the Organisation and Operation of the Political Parties including their finances.

Further down to paragraph 15(d), the Commission is also empowered to arrange for the annual examination and auditing of the Funds and Accounts of Political Parties and publish a REPORT on such examination and audit for public information.

Finances of Political Parties are covered by Section 225 of the Constitution while Annual Report on finances is covered by Section 226.

1. FINANCES OF POLITICAL PARTIES – SECTION 225

Section 225(1) mandates every Political Party to at such times and in such manner as the Commission may require, submit to the Commission and publish a Statement of its Assets and Liabilities.

Section 225(2) requires every Political Party to submit to the Commission a detailed Annual Statement and Analysis of its sources of funds and other assets together with a similar Statement of its Expenditure in such form as the Commission may require.

Section 225(3) prohibits every Political Party from holding or possessing funds or other assets from outside Nigeria or retaining any such funds or assets remitted or sent from outside Nigeria.

By Section 225(4) any such funds or assets remitted or sent to a Political Party must be paid over or transferred to the Commission within twenty-one (21) days of its receipt accompanied by such information as the Commission may require.

It is also the duty of the Commission under Section 225(5) to give directions to Political Parties regarding the Books or Records of Financial Transactions which they shall keep and, to examine all such Books and Records.

Under Section 225(6) the Commission is empowered to delegate the powers conferred on it under subsection 4 to any member of staff or a qualified auditor who must not be a member of a Political Party.

2. ANNUAL REPORT ON FINANCES – SECTION 226

Section 226(1) makes it mandatory for the Commission to prepare every year, and submit to the National Assembly a REPORT on the Accounts and Balance Sheet of every Political Party.

By Section 226(2), it is the duty of the Commission to institute such investigations as will enable it form an opinion as to whether proper Books of Accounts and Records have been kept by a Political Party and to incorporate its findings in the REPORT to be sent to the National Assembly.

Under Section 226(3), every member of the Commission or its duly authorized agent is conferred with unfettered right to access at all times, the Books and Accounts and Vouchers of all Political Parties and to request from the officers of the Political Party such information and explanation as he deems necessary for the performance of his duties under the Constitution.

B. PROVISIONS UNDER THE ELECTORAL ACT 2002

Provisions in respect of Political Party Funding and Finance are contained in part III of the Electoral Act 2002 which also deals generally on Political Parties. Specifically, these provisions are contained in Sections 77-84 of the Act and they cover a broad spectrum of issues from offences in relation to finances of a Political Party through to power to limit contribution to a Political Party down to election expenses of Political Parties.

In these provisions, the Electoral Act has attempted to provide the general legal frame work by which Political Parties are expected to conduct their affairs especially relating to funds and finances.

Perhaps, it may be pertinent to remind us also that this General Legal Frame Work as provided for in the Electoral Act, stems from the broad legal frame work which are already enshrined in the constitution.

1. OFFENCES IN RELATION TO FINANCES OF A POLITICAL PARTY – SECTION 77

Section 77(a) provides for offences in respect of any Political Party that contravenes Section 225(3) (a) of the Constitution which deals with prohibition of holding or possessing any funds or other assets outside Nigeria by a Political Party.

Section 77(a) provides for offences in respect of any political party that contravenes Section 225(3) (b) of the Constitution which deals with prohibition of retaining any fund or other asset remitted or sent to a Political Party from outside Nigeria.

While S.77(a) prescribes for forfeiture of the funds or asset to the Commission in addition to a fine of not more than N500,000.00 upon conviction in respect of

contravention of Section 225(3)(a) of the Constitution, Section 77(b) prescribes forfeiture of the funds or assets to the Commission in addition to a fine of not more than N500,000.00 upon conviction in respect of contravention of Section 225(3)(b) of the Constitution.

2. STATEMENT AS TO ELECTION EXPENSES – SECTION 79

Section 79(1) requires a Political Party to submit to the Commission on a prescribed form, not later than 90 days from the date of the election a statement relating to its election expenses which shall be in a separate audited account.

It is pertinent to note that reference to Section 100 of the Act in the provision is erroneous. The correct section ought to be Section 84 which deals in extenso with election expenses of Political Parties.

Section 79(2) prescribes a fine of N100,000.00 payable jointly and severally by leaders of a Political Party upon conviction for contravention of the provisions of subsection (1) above.

It is also instructive to observe that it would have been more appropriate if the provisions of Section 79 had come immediately after Section 84 and probably what seemed like a repetition of Section 76(1) in Section 84(3) should have been avoided.

3. GRANT TO POLITICAL PARTIES FOR ELECTION – SECTION 80

Section 80(1) empowers the National Assembly to approve a grant for disbursement to Political Parties contesting elections under the Act.

By Section 80(2) such grant approved by the National Assembly shall be made to the Commission which shall distribute same to the Political Parties as follows:

- (a) 30% of the grant to be shared equally among the registered Political Parties participating in respect of a general election for which the grant has been made; and
- (b) The outstanding 70% of the grant shall be shared proportionately among the Political Parties after the result of the elections having regard to the number of seats won by each party in the National Assembly.

It would appear that by the strict interpretation of this provision, a Political Party can only qualify for grant if such a party participates in a general election. It is a considered view that participation in this sense must be construed to mean sponsoring of one or more candidates at the election. It is not sufficient for the party to be merely registered or to have participated in the electoral campaign.

4. ANNUAL GRANTS TO POLITICAL PARTIES FOR THEIR OPERATIONS – SECTION 81

Section 81(1) also empowers the National Assembly to make an Annual Grant to the Commission for distribution to registered Political Parties to assist them in their operations. The ratio for distribution are as follows:

- (a) 30% of the grant shall be shared equally among all the registered Political Parties; and
- (b) The remaining 70% of the grant to be shared proportionately among the registered Political Parties according to the number of seats won by each party in the National Assembly.

5. ELIGIBILITY TO RECEIVE GRANT – SECTION 82

Section 82 places what appears to be a stringent limitation to the eligibility or qualification of a Political Party to receive grant by requiring such a party to win at least ten (10) percent of the total votes cast in the local government election in at least two-thirds of the states of the Federation.

However, the wrong cross reference to Section 93 in the Act which deals totally on a different subject matter appears to have engendered confusion as to the true meaning and interpretation of Section 82. If one takes the safest option of assuming that reference to Section 93 means reference to Section 81, it leaves those “later day” Political Parties who could not participate in the local government elections conducted prior to their registration at a great disadvantage. This exactly could have been the scenario in the last dispensation where those Political Parties registered after the local government elections in 1998 could have been excluded from any grant pending of course, the conduct of the last local government elections.

Again, by the strict interpretation of the provision of Section 82, it appears that Area Councils do not form part of the calculation when computing what constitutes 10% of two-thirds of the states of the Federation although the general opinion is that the Federal Capital Territory (FCT) should in certain circumstances as this, be treated as a state.

6. POWER TO LIMIT CONTRIBUTION TO A POLITICAL PARTY – SECTION 83

Section 83(1) empowers the Commission to place limitation on the amount of money or other assets, which an individual or corporate body can contribute to a Political Party while Section 83 (2) makes it mandatory for every Political Party to maintain a record of all contributions and amounts contributed.

From the tenor of the wordings of the provision of section 83(1) it seems that the Commission has discretion whether or not to place such limitation as envisaged by the Act and it appears that presently no such limitation exists.

Suffice it to submit that this is a very important provision which the Commission has not taken full advantage of. Until the limitation as envisaged by the Act is placed by the Commission, it would appear to be perfectly legal for an individual or corporate body to

contribute any amount or asset to a Political Party. Again, it appears that the provision of Section 83(2) is made subject to Section 83(1). It follows therefore that the Commission may not rightly insist that parties comply with the provision of Section 83 (2) if it has not placed the limitation in accordance with Section 83(1).

7. ELECTION EXPENSES OF POLITICAL PARTIES – SECTION 84:

Section 84(1) explains election expenses to mean expenses incurred by a Political Party within the period from the date notice is given by the Commission to conduct an election up to, and including, the polling day in respect of the particular election.

Section 84(2) limits the expenses to be incurred by a Political Party for the management or conduct of an election not exceeding in the aggregate the sum determined by multiplying N20 (twenty) naira by the number of names appearing in the final voters' list for each constituency where there is a candidate sponsored by the Political Party. It has been suggested that the limitation of election expenses to N20 (twenty) naira per voter is unrealistic having regard to inflationary trend.

Section 84(3) provides that election expenses of a Political Party shall be submitted to the Commission in a separate audited REPORT duly signed by the party's auditors and counter-signed by the Chairman of the party as the case may be and shall be supported by a sworn affidavit by the signatories as to the correctness of its contents. The use of the expression "as the case may be" presupposes that the framers of the Act may have intended that another officer (probably the party secretary) could also countersign the audited REPORT in the absence of the chairman. However, since it is not explicit, it appears that it is only the Chairman of the party that is authorized to counter-sign the audited report/return.

Section 84(4) requires the return to show clearly the amount of money expended by or on behalf of the party on election expenses, including the items of expenditure and commercial value of goods and services received for election purposes.

Section 84(5) makes it compulsory for the Political Party making the return to publish same in at least two National Newspapers.

Section 84(6) prescribes a fine of N500,000.00 for a Political Party that incurs election expenses beyond the limit stipulated in the Act.

Section 84(7) makes it mandatory for the Commission to make available for public inspection during regular business hours at the national and state offices, the audited returns of Political Parties and the publication shall include the name, address, occupation and amount contributed by each contributor to a party.

It is also pertinent to point out that Section 78 of the Act mandates the Commission to arrange for the annual examination and auditing of Funds and Accounts of Political Parties and publish the report of such examination and audit in three National Newspapers. The same section also prescribed the period to be covered by Annual Statement to be the period from 1st January to 31st December of each year.

Finally, it is the considered view that the Act has made considerable provisions regarding Party Funding and Finance. There are, no doubt, areas that need to be fine-

tuned in order to bring them within the realm of present realities, like the ceiling on election expenses as provided for under Section 84(2). There is also the need to correct the wrong cross referencing that abound in the Act.

Nevertheless, it must be pointed out that quite a number of the provisions have not been exhaustively and religiously followed. By the time they are fully followed and implemented there would be a remarkable improvement in the electoral process.

It would be advisable therefore for all Political Parties to follow closely the provisions of the law as regards Political Party Finance and Funding.

CHAPTER V

AN OVERVIEW OF PARTY FINANCE AND ACCOUNTS

A Political Party Finance Manual is expected to be a synthesis of statutory enactments, prescriptions of regulatory authorities, yearnings of all stakeholders in the political process, and generally accepted statement of best accounting practices that will make campaign and Political Party Finance to be more equitable, accountable and transparent.

According to Max Weber, **“Party Finance is among the most important and yet, for obvious reasons, the least transparent chapters of party history”**.

Political Finance has a decisive effect on the very operations and the quality of democracy and yet little attention is being paid to the issue of Party Funding and Campaign Finance in Nigeria.

As the sophistication and complexity of communications and other technologies needed to effectively compete for votes increase, so does the need for vast resources by Political Parties to finance their electoral campaigns in more advanced democracies. In emerging democracies such as Nigeria, the highly monetized political culture coupled with the desperation of politicians to win elections at all cost has its attendant demand on huge election financial outlay. These result in a headlong pursuit of funding sources, fueled by campaign imperatives which have led many candidates and parties into tailspin, as rules of conduct no longer respond to party ethics, principles and beliefs, but rather are increasingly defined by expedience and urgency of fund raising.

As the former Italian Prime Minister, Bettino Craxi observed, **“ what needs to be said , and which in any case everyone knows , is that the greater part of political funding is irregular or illegal”**. Therefore, a Political Party Finance Manual has to address the following areas of party finance and accounts.

i) Funding Sources (Private and/or Public Sources)

Political Parties are not private businesses but perform a public function and on these perspective, Political Parties should receive ongoing public funding that will enable them to carryout their regular activities. While some countries have sought to eliminate corruption from their political and electoral systems by using public funds to finance Political Parties, elsewhere, public funding arrangement has been discontinued in favour of private financing with stringent accounting and public reporting requirement. This latter viewpoint is premised on the fact that Political Parties are freely established and deeply rooted in social and political conditions that presuppose independence from the state and should not be funded by the state. This Party Finance Manual is advocated and articulated on the issue of party funding and accountability as a panacea to the smooth running of our political system.

ii) **Funding Limits**

Political Parties may obtain funds for their operations from the following only:

- a) membership fee;
- b) income generated by property owned by political party;
- c) profit from the income of the enterprises owned by Political Party;
- d) public funding i.e. grant from the state; and
- e) contributions from legal entities and natural persons.

Three thorny aspects of political contributions have always emerged for consideration and which have given rise to funding limit on Party Finance. These are volume of fund, origin of funds and equity in the electoral process. It is the desire of the Electoral Act for limitation to be placed on contribution to party finances. It is expected that in due course we may achieve the desired objective of that Electoral Act.

iii) **Campaign Finance**

Campaign Finance is the funding of campaign expenditure. Campaign expenditure is defined as any expenditure incurred by a party for electoral purposes; that is solely for the purpose of enhancing the standing of or promoting electoral success for a party at a forthcoming or future election. This includes issuing disparaging materials relating to another party or its candidates.

Moreover, goods or services for which payments are made prior to the campaign period, for use during the campaign period, shall be considered campaign expenditures and, therefore, must fall within the campaign expenditure limit.

Campaign expenditure includes any expenditure incurred by a party in connection with the following items:

- Political Party broadcasts;
- advertisement;
- distribution of unsolicited materials to electorates;
- circulation of manifesto or other policy documents;
- market research and canvassing;
- media / publicity;
- transportation; and
- rallies or other events.

iv. **Campaign Expenditure Limit.**

In more developed democracies for example in the United Kingdom, the Political Party Election Referendum Act (PPERA) prescribes limit on Campaign Expenditure to be incurred by all parties contesting a relevant Election within the “regulated period” in advance of an election. Under the backdrop of recent outcry over the increasing cost of

Election Expenses in Nigeria, the Party Finance Manual has attempted to provide a limit to Campaign Expenditure of parties/candidates in an election.

v) **The Financial Procedures of Political Parties**

So far we have attempted to explore the overall Financial Policies Framework of Political Parties. In this section, our focus will shift to the system of capturing, documenting, controlling and reporting on the financial events of Political Parties. The financial procedures involve the pre-accounting, accounting and post accounting processing of financial events.

Effective internal financial controls help to ensure that the party is not unnecessarily exposed to avoidable financial risks and that financial information used for publication is reliable. They also contribute to the safeguarding of assets, including the prevention and detection of fraud. An ideal system would require each political party to appoint one specific official (“agent”) who will have the following responsibilities:

1. Keeping complete and accurate records of the political finance activity of the reporting entity;
2. Submitting reports about financial activity to INEC;
3. Approving all contributions and expenditures by the entity for compliance with legal restrictions;
4. Following accepted accounting procedures in performing record-keeping and reporting duties.

Most importantly, such a system foresees that all the funds should be channeled through the “agent” and that all expenditure must be authorised by the “agent”. In addition, “agent” must check incoming donations and expenses to ensure that they are in conformity with the rules. System can impose serious and continuing duties on each of the financial agents – to monitor donations received, to report same and to decline others, and to submit proper accounts. Such an internal body must oversee compliance with these requirements, institute action (using intra-party discipline and codes of conduct) where necessary. The Political Parties have a clear and solid responsibility for the management of their financial resources.

Generally, the handling of a financial event from its origination through the Accounting and Auditing processes as defined by Generally Accepted Accounting Principles (GAAP) and Auditing Guidelines will demonstrate adequately the Financial Procedures which are expected to be followed by Political Parties.

- A. The pre-accounting processing of financial activities of the party includes:
 - Budgeting and Budgetary Control Procedures;
 - Revenue Identification, Collection and Monitoring Procedures; and
 - Expenditure Origination, Approval and Payment Procedures.
- B. The Accounting Process consists of the following stages:

- Recording of financial events in source documents e.g. Receipt Vouchers, Invoices, Payments Vouchers, Pledges Form, etc;
- Posting of source documents to primary records or book of original entries e.g. Cash Book, Revenue Journals, Expenditure Journals and General Journals; and
- Posting to the ledger which is the principal Book of Accounts.

Ledgers are classified into two:

- i) Subsidiary Ledgers which include the following:
 - Revenue ledger;
 - Expenditure ledger;
 - Debtors ledger;
 - Creditors and Accrual ledger;
 - Stock ledger;
 - Investment ledger;
 - Fixed Asset ledger;
 - Staff Advances ledger.
- ii) General ledger is balanced at the end of Party Financial Year and extraction of trial balances which must be balanced as a test of arithmetical accuracy of postings in the general ledger.

C. Reporting on the Accounts

The last stage of the Accounting Process is the generation of reports in the forms of Returns and Financial Statements that mirror the financial operation of the entity. Section 225(1) and (2) of the Constitution require every Political Party to submit to INEC and publish at such times and in such manner as the commission may require:

- a) a statement of its assets and liabilities; and
- b) a detailed Annual Statement and Analysis of its sources of funds and other assets together with a similar statement of its expenditure

The Statement of Accounting Standard on Financial Reporting identified the following Financial Statements to satisfy the Financial Reporting requirements of an entity.

- a. Balance Sheet or Statement of Affairs as at the last date of the entity Accounting Year
- b. Income and Expenditure Statement for the Accounting Year under review
- c. Statement of Cash Flow for the Accounting Year
- d. Notes to the Accounts which form an integral part of the Financial Statement and these include:

- Schedule of Fixed Assets;
- Schedule of Creditors and Accruals;
- Schedule of Debtors and Prepayments;
- Schedule of Addition to Fixed Assets;
- Schedule of Stock and Work-In-Progress;
- Schedule of Rent;
- Schedule of Investments;
- Schedule of Cash and Bank Balances.

D. The Post – Accounting Processes which are also referred to as the Auditing Processes include:

- The establishment and organisation of Internal Audit department to carry out pre-approval Audit, Pre-payment Audit, Internal Control Checks and Reviews, Post-Payment Audit, Analytical Review of Financial Records and Statements.
- The appointment of External Auditors to express an opinion on the true and fair view of the Financial Statement as a reflection of the Financial Operation of the Party for the period under review
- The production and distribution of Audited Financial Statement with Audit Management Letters for the Accounting Year being considered
- This Party Financial Manual has dealt with Financial Procedures of Political Parties under the following sections:

Party Finance (Financial Instructions) to cover -

- Budgeting and Budgetary Control Procedures;
- Revenue Control Procedures;
- Expenditure Control Procedures;
- Cash Control and Banking Procedures;
- Constitutional and other Statutory Provisions on Party Finance;
- Accounting Policies of Political Parties;
- Other Financial Instructions;

Party Finance: (forms and documents) such as;

- Receipts;
- Membership Fees Demand Notes;
- Membership Cards;
- Membership Application Forms;
- Donation and Contribution Acknowledgement Forms;
- Payment Vouchers;
- Advances Retirement Statement; and
- Journal Vouchers.

Party Accounts: (Basic Books of Accounts) such as:

- Bank Cash Book;
- Imprest Cash Book;
- Loans Register;
- Credits and Liabilities Register;
- Revenue Register;
- Expenditure Register;
- Property/Investment Register;
- Advances Register;
- Journal Registers;

- Public Funding Register;
- Membership Register, Subsidiary ledger and General Ledger; Donation and Contribution Register; and
- Branch Finance Control Register.

Party Finance: (Reporting Forms and Statements) which include:

Party Accounts Signatories and Specimen Signatures;

- Party Branch Offices, Location, Membership and Bank Accounts;
- Statement of Periodic Cash Movement of Party Headquarters and Branch Offices;
- Total of Party Income Sources;
- Party Contribution Income by Natural Persons;
- Party Contribution Income by Legal Entities;
- Party Property/Investment Income;
- Profit from Companies Owned by Party;
- Non-monetary Donation to Party;
- Government Grant to Party;
- Party Expenditure Returns;
 - i. Campaign Expenditure Report
 - ii. Utility/Administrative Expenditure Report
 - iii. Promotional Expenditure Report
- Loans, Credits and Liabilities Report
- The Conventional Financial Statements of
 - i. Balance Sheet
 - ii. Income and Expenditure Statements
 - iii. Cash Flow Statements
 - iv. Notes to Financial Statements.

IN-KIND CONTRIBUTIONS

In-kind contributions of goods and services could be described as any goods and/or services provided by any person in favour of the Political Parties' activities. Examples of notional market value of in-kind donations are:

- Leaflets that would normally cost N20,000 to print but are provided at a 30 percent discount: the party incurs N14,000 actual expenditure and N6,000 notional expenditure.
- A party is offered the use of a room in a supporter's home for a single committee meeting lasting three hours. The notional commercial rental for one room for three hours in a private home is less than 2000 Naira.
- Printing: for items printed by a supporter where no charge is made, you would be expected to calculate a notional sum that is reasonable and based on a sensible calculation. A party would also have to include not just the cost of the paper and other materials but also the time for a paid member of staff to design, print and fold the leaflets.

CODE OF CONDUCT
FOR
POLITICAL PARTIES

INDEPENDENT NATIONAL ELECTORAL COMMISSION

March, 2003

FOREWORD

All Nigerians have come to agree that political stability is a necessary condition for economic and social development. Hitherto, elections in our country were a major cause of political instability. However, it is evident from public commentaries that Nigerians want the sustenance of democratic culture which has been rekindled with the success of the 1998/99 transitional elections. It is the wish of the electorate that there should always be peace and that the disruptive forces which plagued the elections prior to those of 1998/99 should never again resurface.

At one of the regular meetings of the political parties' leaders and members of the Commission in March 2001, it was agreed that frequent consultations and dialogue would be necessary to check at an early stage all causes of possible misunderstanding. It was thought difficult for the Commission and the Political parties to meet as frequently as may be desired. Accordingly, it was agreed that a smaller consultative body of some Commission's members and few representatives from the then three political parties drawn on equal basis be constituted. The INEC/Political Parties Consultative Forum was set up.

The Consultative Forum was charged with the responsibility of articulating a Code of Conduct for the Political Parties. The Code is to facilitate violence-free campaigns, peaceful election day activities, conflict-free post-elections environment, strict compliance with the electoral law at all stages of the election process, and that the ruling party at whatever level of government does not enjoy undue advantage by virtue of its incumbency or control of state organs and resources.

I am pleased that all the new parties have taken their places in the Forum and have subscribed to this Code of Conduct. Strict adherence to its provisions will no doubt impact positively on our electoral process.

Sir Abel I. Guobadia, KSA
Chairman

INDEPENDENT NATIONAL ELECTORAL COMMISSION

CODE OF CONDUCT FOR POLITICAL PARTIES

PREAMBLE

WHEREAS there is need for peace and public order, freedom of political campaigns and compliance with electoral laws and regulations for the conduct of free, fair and credible elections in Nigeria.

We the Political Parties of Nigeria have voluntarily set out in this code a system of rules to guide our activities and we pledge to one another and to the Nigerian people that we shall undertake to ensure that the code is fully publicized and brought to the notice of all officers and members of our Parties and that the contents thereof are fully observed by all.

Accordingly we do hereby make and give to ourselves the following code of conduct.

THE RULE OF LAW:

1. All Political Parties shall at all times uphold the rights and freedoms of the Nigerian people, as guaranteed by law. In this context, every Political Party shall provide equal opportunity to qualified persons to participate in electoral activities.
2. All Political Parties shall abide by all the laws, rules and regulations of Nigeria relating to elections and the maintenance of public order. In this regard, all the parties shall fully cooperate with the police in any investigation and processes of enforcement of the relevant laws, rules and regulations.
3. Subject to the relevant Laws and Regulations, all Political Parties have the right and freedom to put forward their views to the electorate without

hindrance. For this purpose, every Political Party shall respect the rights of all participants in an election.

4. No Political Party shall use State apparatus including State owned print and electronic media to the advantage or disadvantage of any other Political Party or candidate at an election. That is to say, all ruling Political Parties shall allow other Parties equal and fair access to the use of State owned print and electronic media.
5. No Political Party shall engage in violent activity or intimidation of any kind, as a way of demonstrating its strength or supremacy. Accordingly, all Political Parties shall publicly condemn any form of political violence or intimidation in all its ramifications.
6. Every Political Party shall at all fora and at all times avoid defamatory, derogatory and insulting attacks on rival parties or individual personalities through any form of communication, verbal or written.

CAMPAIGNS:

7. No political party or candidate shall during campaign resort to the use of inflammatory language, provocative actions, images or manifestation that incite violence, hatred, contempt or intimidation against another party or candidate or any person or group of persons on grounds of ethnicity or gender or for any other reason. Accordingly, no Political Party or candidate shall issue any positive, pamphlet, leaflet or other publication that contains any such incitement.
8. All Political Parties shall take all necessary steps to coordinate their campaign activities in such a way as to avoid holding rallies, meetings, marches or demonstrations close to one another at the same time. Accordingly whenever the date, venue or timing of any such activities of different Political Parties clash, their representatives will meet to resolve the issue amicably, without resort to intimidation, force or violence.

9. All Parties are required to file with the Commission details of their public rallies and meetings in any particular area.
10. No Political Party or any person or group of persons acting in its name shall obstruct, disrupt, break-up or in any way whatsoever interfere with a meeting, rally, march, demonstration or any campaign activity of another Political Party. In this regard, no party or any person or group of persons acting in its name shall try to obstruct or prevent any person from participating in the activities of another party.
11. All Political Parties shall separate party business from government business. No Political Party shall use State vehicles, or other public resources for any electioneering campaign or any other Party business.
12. Every Political Party shall expressly forbid its supporters from shouting its slogan, wearing its identifying colours or other paraphernalia to the rallies and any public gathering of other Political Parties.
13. All Political Parties shall instruct their members and supporters that no arms or any object that can be used to cause injury shall be brought to a political rally, meeting, march, demonstration or any other political function.
14. No Political Party or candidate shall prevent other parties or candidates from pasting their posters or distributing their leaflets, hand bills and other publicity materials in public place. Furthermore all parties and candidates shall give directives to their members and supporters not to remove, destroy the posters and other campaign materials of other parties or candidates.

ELECTIONS:

15. All Political Parties and candidates shall at all times cooperate fully with election officials in the performance of their lawful duties, in order to ensure peaceful and orderly elections.

16. Every Party shall instruct its members and supporters that no weapon or any object that can be used to cause injury shall be brought to the Polling Station, and that no party attire, colours, symbol, emblem or other insignia shall be worn to a Polling Station on Election Day.
17. All Political Parties and their candidates shall extend all necessary help and cooperation to law-enforcement agents for purposes of ensuring the safety and security of election officials and Party Agents on polling day.
18. All Political Parties and their candidates shall instruct their agents in attendance at Polling Stations to perform their duties in accordance with the electoral laws and regulations, and to cooperate fully with the election officials for the efficient, transparent and uninterrupted conduct of the elections.
19. No Political Party and its agent shall engage in any of the following corrupt practices:
 - i. Forcible occupation or invasion of a polling station
 - ii. Encouraging its supporter to cast more than one vote (multiple voting).
 - iii. Encouraging any supporter to vote in the name of another person, living, dead or fictitious (impersonation).
 - iv. Buying votes or offering any bribe, gift, reward, gratification or any other monetary or material consideration or allurement to voters and electoral officials.
 - v. Offering any form of inducement to a person to stand or not to stand as a candidate, or to withdraw or not to withdraw his or her candidature.

- vi. Canvassing for votes within the vicinity of a Polling Station on polling day.
 - vii. Any other form of cheating or doing any act considered to be a malpractice under the electoral laws and regulations.
20. Every Political Party and its officials shall pay due regard to the law restricting access to the polling station to authorized persons only. Accordingly, no Party official shall enter any polling station on polling day without express permission from the Commission.
21. No official of a Political Party shall engage in confrontation or open argument with election officials at the polling station. To this end, any complaint, protest or challenge relating to processes and procedures at a Polling Station shall either be routed through the Party Agent to the Presiding Officer or shall be made directly to an officer of the Commission for appropriate resolution. Thereafter, an aggrieved party or person is at liberty to seek redress in Court.
22. Definition code of conduct means “a set of rules of behaviour for Political Parties and their supporters relating to their participation in an election process, to which the parties ideally will voluntarily agree, and which may subsequent to that agreement be incorporated in law”
23. We the undersigned representatives of the Political Parties hereby collectively subscribe to this Code of Conduct.

| S/NO | PARTY | NAME & DESIGNATION OF REPRESENTATIVE | SIGN AND DATE |
|------|-------|--------------------------------------|---------------|
| 1. | AD | | |
| 2. | ANPP | | |
| 3. | APGA | | |
| 4. | APLP | | |
| 5. | ARP | | |
| 6. | BNPP | | |
| 7. | CPN | | |
| 8. | DA | | |
| 9. | GPN | | |
| 10. | JP | | |
| 11. | LDPN | | |
| 12. | MDJ | | |
| 13. | MMN | | |
| 14. | NAC | | |
| 15. | NAP | | |
| 16. | NCP | | |
| 17. | ND | | |
| 18. | NDP | | |
| 19. | NMMN | | |
| 20. | NNPP | | |
| 21. | NPC | | |
| 22. | NRP | | |
| 23. | PAC | | |
| 24. | PDP | | |
| 25. | PMP | | |
| 26. | PRP | | |
| 27. | PSD | | |
| 28. | PSP | | |
| 29. | UDP | | |
| 30. | UNPP | | |

In the presence of the Independent National Electoral Commission (INEC)

ALHAJI (DR) SHEHU MUSA CFR
 CHAIRMAN, INEC/POLITICAL, PARTY
 CONSULTATIVE FORUM
 MARCH, 2003