

Nigeria

Nigeria is taking steps to implement the aspects of the terms of reference (OECD, 2021^[3]) (ToR) for the transparency framework and to commence administrative preparations to ensure that it establishes an information gathering process (ToR I.A) and information on rulings will be identified and exchanged in a timely manner (ToR II.B). Nigeria receives two recommendations on these points for the year in review.

In the prior year's peer review report, Nigeria was not assessed for the transparency framework. However, as Nigeria has an administrative practice to issue rulings, it is reviewed and recommendations have been made as relevant.

Nigeria can legally issue four types of rulings within the scope of the transparency framework.

In practice, Nigeria issued rulings within the scope of the transparency framework. However, as Nigeria does not yet have administrative processes in place to identify the relevant rulings, it is unknown how many rulings in scope of the transparency framework have been issued.

As no exchanges took place, no peer input was received in respect of the exchanges of information on rulings received from Nigeria.

Information gathering process (ToR I.A)

908. Nigeria can legally issue the following four types of rulings within the scope of the transparency framework: (i) preferential regimes;¹ (ii) rulings providing for unilateral downward adjustments; (iii) permanent establishment rulings; and (iv) related party conduit rulings.

Past rulings (ToR I.A.1.1, I.A.1.2, I.A.2.1, I.A.2.2)

909. For Nigeria, past rulings are any tax rulings within scope that are issued either (i) on or after 1 January 2015 but before 1 April 2017; and (ii) on or after 1 January 2012 but before 1 January 2015, provided they were still in effect as at 1 January 2015.

910. Nigeria confirms that no past rulings have been issued, as its administrative framework for issuing rulings only took effect at a later stage. Therefore, no recommendations are made regarding past rulings.

Future rulings (ToR I.A.1.1, I.A.1.2, I.A.2.1)

911. For Nigeria, future rulings are any tax rulings within scope that are issued on or after 1 April 2017.

912. Nigeria indicates that there are not yet processes in place to ensure the implementation of the obligations relating to the transparency framework.

Review and supervision (ToR I.A.3)

913. Nigeria did not yet have a review and supervision mechanism under the transparency framework for the year in review.

Conclusion on section A

914. Nigeria is recommended to ensure that it has put in place an effective information gathering process to identify all relevant future rulings and all potential exchange jurisdictions and to implement a review and supervision mechanism, as soon as possible (ToR I.A).

Exchange of information (ToR II.B)

Legal basis for spontaneous exchange of information (ToR II.B.1, II.B.2)

915. Nigeria has the necessary domestic legal basis to exchange information spontaneously. Nigeria notes that there are no legal or practical impediments that prevent the spontaneous exchange of information on rulings as contemplated in the Action 5 minimum standard.

916. Nigeria has international agreements permitting spontaneous exchange of information, including: (i) the *Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol* (OECD/Council of Europe, 2011_[1]) (“the Convention”) and (ii) bilateral agreements in force with 14 jurisdictions.²

Completion and exchange of templates (ToR II.B.3, II.B.4, II.B.5, II.B.6, II.B.7)

917. Nigeria does not yet have a process to complete the templates on all relevant rulings, to make them available to the Competent Authority for exchange of information, and to exchange them with relevant jurisdictions.

918. During the year in review, no exchanges took place and no data on the timeliness of exchanges is reported.

Conclusion on section B

919. Nigeria is recommended to develop a process to complete the templates for all relevant rulings and to ensure that the exchanges of information on rulings occur in accordance with the form and timelines under the transparency framework going forward (ToR II.B).

Statistics (ToR IV.D)

920. As there was no information on rulings exchanged by Nigeria for the year in review, no statistics can be reported.

Matters related to intellectual property regimes (ToR I.A.1.3)

921. Nigeria does not offer an intellectual property regime for which transparency requirements under the Action 5 Report (OECD, 2015^[2]) were imposed.

Summary of recommendations on implementation of the transparency framework

Aspect of implementation of the transparency framework that should be improved	Recommendation for improvement
Nigeria does not yet have the necessary information gathering process in place.	Nigeria is recommended to ensure that it has put in place an effective information gathering process to identify all relevant past and future rulings and all potential exchange jurisdictions and to implement a review and supervision mechanism, as soon as possible.
Nigeria does not yet have a process to complete the templates on relevant rulings, to make them available to the Competent Authority for exchange of information, and to exchange them with relevant jurisdictions.	Nigeria is recommended to develop a process to complete the templates for all relevant rulings and to ensure that the exchanges of information on rulings occur in accordance with the form and timelines under the transparency framework going forward.

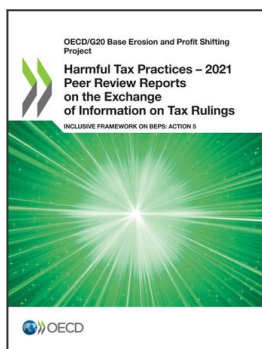
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- OECD (2015), *Countering Harmful Tax Practices More Effectively, Taking into Account Transparency and Substance, Action 5 - 2015 Final Report*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://doi.org/10.1787/9789264241190-en>. [2]
- OECD/Council of Europe (2011), *The Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264115606-en>. [1]

Notes

¹ Free trade zones.

² Participating jurisdictions to the Convention are available here: www.oecd.org/tax/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm. Nigeria also has a bilateral agreement with Belgium, Canada, China (People's Republic of), Czech Republic, France, Netherlands, Pakistan, Philippines, Romania, Slovak Republic, Spain, Singapore, South Africa, and United Kingdom.



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