

## CSO Strengthening Bridge (EU CSO-Bridge) Project

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### We officially Launched the CSO Strengthening Bridge Project to Steer Progress and Strengthen Nigerian CSOs

Civil Society Organizations (CSOs) in Nigeria face restrictive regulatory frameworks, complex compliance burdens, and disjointed coordination systems that hinder their operational freedom and financial sustainability.

To resolve these systemic vulnerabilities, we officially launched the CSO Strengthening Bridge (EU-CSO-Bridge) Project and convened the project's inaugural Project Steering Committee (PSC) meeting in Abuja. The project which will run for 3 years directly builds on the gains of the concluded Agents for Citizen-driven Transformation (ACT) programme.

It unites high-level stakeholders from the European Union Delegation, key regulatory bodies like the Corporate Affairs Commission (CAC), Federal Inland Revenue Service (FIRS), and Special Control Unit against Money Laundering (SCUML), the National Assembly, various civil society networks, private organizations, and development partners to address legal barriers and create a more enabling environment for CSOs in Nigeria.

This inaugural strategic governance meeting established the operational foundation for the project by adopting the PSC Terms of Reference and holding elections for the committee's inaugural leadership. Members assessed implementation progress, evaluated existing bottleneck vulnerabilities, and harmonized perspectives between state actors, development partners, and grassroots organizations.

#### CSO Bridge Programme



By operationalizing this multi-stakeholder steering committee, the EU-CSO-Bridge Project is cementing a collaborative approach to policy reform and driving systematic changes to ensure Nigerian CSOs operate within a secure, predictable, and enabling legal environment.



# Driving Cross Border Advocacy: EU CSO-Bridge Project Joins CSO Coordinating Platforms and CSO Regulators in the 2025 West Africa Civil Society Week (WACSW)

The EU CSO-Bridge Project facilitated the participation of a delegation comprising two project team members, three CSO coordinating platforms - CATI, EGLAI and the Cooperative Federation of Nigeria (CFN), and five Nigerian government institutions, including the Corporate Affairs Commission (CAC), the Special Control Unit against Money Laundering (SCUML), the Federal Ministry of Justice, and the House and Senate Committees on Civil Society and Development Partners, to participate in the 3rd West Africa Civil Society Week (WACSW 2025) which held on 19 -20 November, and a subsequent Learning Exchange Meeting with Ghanaian CSO regulators in Accra, Ghana which held on 21 November.

The delegation's participation aimed to enhance regional engagement, facilitate peer learning, and strengthen collaborations that advance civic space, democratic resilience, and CSO accountability in Nigeria and across West Africa. The delegation actively engaged in multi-stakeholder dialogues on strengthening civic space, sustainable funding, youth and women's participation, and the evolving role of civil society in the region. The discussions provided opportunities for the Nigerian CSO coordinating platforms to contribute to shaping regional perspectives on civil society's identity, legitimacy, and relevance.

The Learning Exchange Meeting enabled Nigerian CSO regulators to engage directly with their Ghanaian counterparts on civil society oversight and regulatory practices. The delegation gained insights into Ghana's regulatory framework, including the role of the NPO Secretariat in addition to the Office of the Registrar of Companies, highlighting practices that could inform enhancements in Nigeria's oversight mechanisms. This engagement strengthened understanding of emerging regional trends, civil society priorities, and innovative approaches to regulatory compliance, while reinforcing trust and dialogue between regulators and civil society actors.

Key insights from the engagement highlighted the increasing community-rooted nature of civil society, its growing accountability and political engagement, and the shift from traditional NGO-centered models toward more diverse, participatory approaches. The engagement reaffirmed the importance of sustained dialogue between civil society and regulatory institutions, regional collaboration, and strategic knowledge sharing to strengthen the enabling environment for CSOs.



# Empowering CSOs on the Nigeria Tax Act 2025: Building Compliance and Accountability

The introduction of the Nigeria Tax Act 2025 has significantly changed the tax administration and compliance landscape, creating new obligations for Civil Society Organizations (CSOs) that were previously managed under the assumption of automatic tax exemption based on non-profit status under the Companies and Allied Matters Act (CAMA).

In an already challenging environment where CSOs face funding constraints, regulatory scrutiny, and pressure to demonstrate accountability, misunderstanding the Act can expose them to unintended tax liabilities, compliance penalties, and reputational damage.

In light of this, the EU CSO-Bridge Programme supported the first inaugural CSO Dialogue on the Nigeria Tax Act 2025 to unpack the Act's implications for their income, compliance obligations, and potential risks, thereby equipping CSOs with the tools to navigate the new tax framework confidently, sustain their operations, and continue holding public institutions to account in a fiscally responsible and transparent environment.



# Promoting CSO Accountability through Self-Regulation

To ensure that Civil Society Organization's (CSOs) across Nigeria possess robust internal governance standards, build public trust, and maintain a unified defense against civic space restrictions, we supported the convening of a national-scale capacity building intervention across six geo political zones - Abuja, Lagos, Kano, Adamawa, Rivers, and Enugu to scale the adoption of CSO Self-Regulation Modalities.

**This strategic rollout brought together state CSO champions, network leads, cooperative societies, and media representatives to institutionalize sector-led accountability frameworks and standardize internal compliance systems.**

The final zonal training which was held in Abuja provided a structured platform to equip subnational actors with standard training resources, reporting templates, and actionable strategies. Participants analyzed compliance guidelines, established state-level peer support networks, and formulated robust monitoring frameworks to track organizational compliance.



During the sessions across states, CSOs were encouraged to deploy state-level self-regulation orientations, institutionalize monthly champion progress reports, and activate state-level adoption scorecards to measure regulatory adherence, all of which contributes greatly to building trust with citizens and regulators.

By embedding these structural updates deep within subnational networks, the initiative provides grassroots clusters with the operational tools needed to transparently demonstrate credibility, thereby defusing external pretexts for statutory overreach and creating an enduring foundation for shared civic ownership.



## Leading the Reform of Nigeria's Cooperative Societies Act through Consultative Stakeholders Dialogue

As part of our commitment to ensuring that Civil Society Organizations (CSOs) in Nigeria, including cooperative societies, operate in an enabling environment void of restrictions from outdated policies or duplicative legislative frameworks that lack operational clarity and limit inclusive development, we hosted a Stakeholders' Consultation and Review Meeting on Nigeria's Cooperative Societies Act in Abuja.

The session brought together 52 key actors, including the Minister of State for Agriculture, the Federal Ministry of Labour, legislative drafters from the National Assembly and the Federal Ministry of Justice, and over 30 representatives from the cooperative movement to modernize the obsolete Cooperative Societies Act.

The consultation provided a structured platform to bridge regulatory gaps, resolve implementation bottlenecks, and strengthen stakeholder ownership over the proposed legal updates. Participants meticulously analyzed the legal framework, harmonized views between state regulators and non-state actors, and aligned the draft provisions with contemporary civic space considerations. Agreed next steps at the meeting include finalizing the refined stakeholder inputs, establishing a clear policy channel roadmap, and formalizing the responsibilities for sponsor engagement within the legislature.

Through this meeting, we are driving inclusive legislative overhaul, building a more equitable framework for cooperative governance and spearheading systemic legal reforms to ensure that CSOs operate within a highly enabling economic environment.





## 2nd Project Steering Committee Meeting

In the last week of April, we hosted the Programme's 2nd Project Steering Committee (PSC) meeting, an event that brought together high-level committee members from key government regulatory agencies, civil society networks, and international development partners. The primary objective of the meeting was to evaluate Year 1 implementation milestones, systematically address ongoing operational bottlenecks, and co-create the comprehensive strategic work plans for Years 2 & 3.

This collaborative review ensured that the lessons learned from our first twelve months are directly integrated into the revised standard operating procedures, optimizing resource allocation for the upcoming implementation cycles.



With Nigeria's general election also fast approaching in 2027, committee members acknowledged that political transitions frequently introduce shifts in institutional leadership and policy priorities, which can disrupt ongoing institutional reforms, which makes the timing of this 2nd PSC meeting highly strategic for the country's civic space. The committee deliberated on consolidating foundational achievements, protecting existing legal gains, and maintaining project momentum during this politically sensitive transition period.

Members actively discussed expanding strategic advocacy frameworks to accelerate the passage of supportive federal and sub-national legislation, creating a more resilient shield against potential regulatory restrictions or overreach.

The project remains committed to strengthening Nigeria's democratic environment, fostering collaboration between CSOs and the government to create an enabling regulatory environment where civil society can effectively operate, hold public institutions accountable, and maximize its development impact for all Nigerian citizens.



# Expanded Technical Implementation Committee Meeting

To ensure that the project aligns its implementation strategies with emerging realities, maintains robust technical oversight, and effectively promotes good practices within Nigeria's civic space, the project's Technical Implementation Committee (TIC) meeting was convened to review progress and examine evolving civic realities in the country.

The two-day session was structured around engagements with core partners and a broader stakeholder forum, integrating technical feedback from the European Union Delegation, key federal ministries, legislative committees, financial intelligence bodies, and sub-national Technical Working Groups to evaluate Year 1 logframe achievements and address project risks.

Beyond reviewing the first-year milestones and assessing performance indicators, the meeting also served as an avenue to integrate multi-stakeholder lessons into upcoming operations while agreeing on implementation roadmaps for Years 2 and 3.



## Ending Financial Exclusion for CSOs: Aligning Nigeria's Banks with FATF R8

The EU CSO Strengthening -Bridge Project in an effort to reduce the financial exclusion of Non-Profit Organizations (NGO) and Civil Society organizations, convened a two-day dialogue with key stakeholders, including the Corporate Affairs Commission (CAC), the Central Bank of Nigeria (CBN), the Economic and Financial Crimes Commission (EFCC), and the Association of Chief Compliance Officers of Banks in Nigeria (ACCOBIN). The dialogue focused on the 2023 revision of the Financial Action Task Force (FATF) Recommendation 8 (R8), which explicitly clarifies that grassroots NPOs should not be treated as "too risky by default" or excluded from banking services.

This addresses the increasing challenge of financial exclusion, including the denial of access to bank accounts despite CSOs being legitimate and duly registered at the state level, a challenge often encountered by CSOs operating at the subnational level. Next steps agreed at the meeting include risk-based, tailored Know-Your-Customer (KYC) processes for CSOs, harmonization of state and federal registration systems, and better alignment between CAC, SCUML, and banks.

By aligning with FATF R8, the EU-CSO Strengthening-Bridge Project is building a more inclusive economy and championing reforms to ensure no legitimate CSO is sidelined from Nigeria's financial system.