

# **THE IMPACT OF TRUMP'S EXECUTIVE ORDERS ON DEI PROGRAMS AND IMPLICATIONS FOR U.S. CONTRACTORS IN NIGERIA**





## INTRODUCTION

On 20th and 21st January 2025, the President of the United States of America, Donald Trump, signed two significant executive orders aimed at reshaping workplace policies across federal agencies and potentially beyond. These orders Ending Radical and Wasteful Government DEI Programs and Preferencing (EO1)<sup>1</sup> and Ending Illegal Discrimination and Restoring Merit-Based Opportunity (EO2)<sup>2</sup> respectively, mark a dramatic shift in the treatment of Diversity, Equity, and Inclusion (DEI) initiatives. They revoke a series of previous executive actions that sought to promote DEI principles within the federal workforce and society at large. While the orders are primarily directed at federal agencies, their extraterritorial impact is likely to ripple through international markets, including Nigeria, where American businesses and contractors operate.

The executive orders reflect a firm stance against DEI programmes that the Trump administration perceives to conflict with federal anti-discrimination laws. They also signal an effort to prioritise equality over equity by eliminating policies that offer preferential treatment based on race, gender, or other protected characteristics. For U.S. contractors operating overseas, including in Nigeria, the orders necessitate significant changes to ensure compliance with federal requirements while navigating local expectations.

## BACKGROUND

DEI programmes, as widely understood, are designed to promote representation, fairness, and inclusivity for individuals from diverse backgrounds in workplaces, educational institutions, and other spaces. Diversity within DEI initiatives refers to the representation of different identities, such as race, gender, age, and religion. Equity focuses on creating a level playing field by recognising historical and systemic disadvantages faced by certain groups. Inclusion aims to ensure that every individual feels valued and empowered, irrespective of their background or identity.

While the principles of DEI are laudable, critics argue that some of these initiatives unintentionally conflict with anti-discrimination laws, such as Title VII of the Civil Rights Act of 1964. This U.S. federal law prohibits discrimination based on race, colour, religion, sex, or national origin. For instance, certain DEI programmes that prioritise hiring or promotion of underrepresented groups might be interpreted as favouring some groups over others. President Trump's executive orders aim to eliminate such practices, ensuring that employment decisions are based purely on merit while maintaining compliance with federal anti-discrimination laws.

1. The Executive order signed by President Trump on 20th January, 2025 URL: Ending Radical And Wasteful Government DEI Programs And Preferencing – The White House

2 The Executive order signed by President Trump on 21st January, 2025 Ending Illegal Discrimination And Restoring Merit-Based Opportunity – The White House



EO1 mandates the immediate termination of all DEI programmes within federal agencies, including training, policies, and initiatives promoting DEI principles. It also prohibits preferential treatment in hiring, promotion, and employment decisions. EO2, on the other hand, places additional responsibilities on federal contractors, requiring them to certify compliance with federal anti-discrimination laws and eschew any DEI practices that may conflict with these laws. These certifications are critical, as any false statements could result in allegations of violations under the False Claims Act (FCA).

## **IMPLICATIONS FOR U.S. CONTRACTORS AND BUSINESSES IN NIGERIA**

The extraterritorial implications of these executive orders may be far-reaching, particularly for U.S. contractors and American businesses operating in Nigeria. Although primarily targeting federal agencies, the orders could signal the Trump administration's broader intent to challenge DEI principles in workplaces globally. As such, U.S.-based contractors and businesses in Nigeria may need to carefully assess their policies and practices to ensure alignment with the new U.S. legal framework while also considering local workplace norms. For U.S. federal contractors operating in Nigeria, these changes could necessitate a review of internal policies, training programs, and employment practices to identify and address any DEI elements potentially conflicting with U.S. anti-discrimination laws. For instance, practices such as gender or race-based quotas might need to be reassessed to ensure compliance. It is advisable to prioritize merit-based criteria in hiring, promotion, and performance evaluations, which may involve revising job descriptions, updating training materials, and realigning organizational priorities.

American businesses operating in Nigeria may also need to consider how these orders could affect their operations and partnerships. While Nigerian businesses have embraced DEI principles as part of global corporate governance trends, partnerships with U.S.-based contractors may warrant some recalibration of initiatives to avoid potential conflicts with federal laws. Educating local staff and partners on the implications of these executive orders can help ensure smoother collaboration and compliance.

Additionally, EO2 empowers the U.S. Attorney General to investigate up to nine large organizations, including publicly traded corporations, non-profits, and institutions of higher learning, for potential non-compliance with federal civil rights laws. This provision signals the administration's willingness to deploy resources to challenge perceived violations of anti-discrimination laws, further increasing the stakes for businesses.



## CONCLUSION

The executive orders signed by President Trump represent a significant shift in workplace governance, emphasising equality over equity and seeking to align DEI initiatives with federal anti-discrimination laws. While these changes may address concerns about preferential treatment and compliance with civil rights laws, they may also pose challenges for U.S. contractors and businesses operating in international markets such as Nigeria.

For U.S.-based contractors in Nigeria, the orders require a comprehensive policy review to ensure alignment with the new legal framework. Merit-based hiring, promotions, and training must take precedence, with an emphasis on skills and performance. Businesses must also engage with legal experts to navigate the complexities of compliance and avoid potential violations unde

the U.S. False Claims Act. Moreover, educating Nigerian staff and local partners about these changes is critical for fostering understanding and maintaining effective collaboration.

Ultimately, while these orders present challenges, they also offer an opportunity for businesses to reaffirm their commitment to fairness and meritocracy. By striking a balance between compliance and inclusivity, American contractors and businesses in Nigeria can navigate this evolving landscape while contributing to a workplace culture that values both diversity and equality.

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Should you require further assistance or clarification on the above, please feel free to contact us at [info@famsvillaw.com](mailto:info@famsvillaw.com)



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## KEY CONTACTS



Dayo Adu  
Managing Partner  
[dayo.adu@famsvillelaw.com](mailto:dayo.adu@famsvillelaw.com)



Uzochukwu Kpaduwa  
Associate  
[uzochukwu.kpaduwa@famsvillelaw.com](mailto:uzochukwu.kpaduwa@famsvillelaw.com)



# FAMSVILLE

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E: [info@famsvillelaw.com](mailto:info@famsvillelaw.com)  
W: [www.famsvillelaw.com](http://www.famsvillelaw.com)

M: +2349068909300