



# ZeroTolerance

The Magazine of Nigeria's Economic & Financial Crimes Commission ■ Vol 1 No.1 July, 2006



## Public Officers & The War Against

# CORRUPTION

# Be Warned!

*Shun Economic and  
Financial Crime*



**ECONOMIC & FINANCIAL CRIMES COMMISSION**

*EFCC will get you... anywhere... anytime!*



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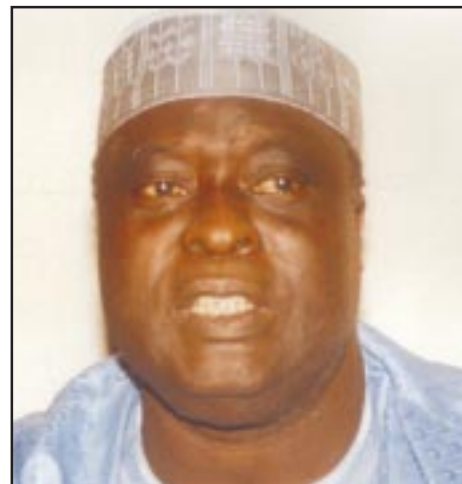
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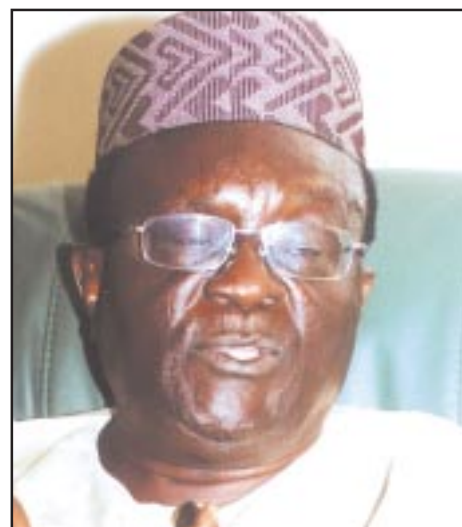
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# This War Must Be Won!

**T**he magazine you hold in your hands has been long in coming, not because the dreams -what it would look like, contain and hope to achieve have not been dreamt. If anything, there had been a surfeit of them, but gestation is a really long drawn activity when the ultimate goal is a product that bears the imprimatur everyone is proud to have: **EFCC**.

The magazine would define the mandate, strategies, features and outlook of EFCC. **Zero Tolerance** is to assist as well in the image cleanup efforts of the Nigerian government. The magazine would have rich local content and an international flavour that would aid immediate exposure outside the shores of Nigeria. It is envisioned to be by all known standards - editorial content and production -one that can hold its own among peers anywhere in the world.

It would have been unthinkable to come out with anything less than what we are today presenting as **Zero Tolerance**. Even then, this is not where we want to end up. Every edition of this magazine would be an improvement on the last. Nigerians and friends of Nigeria who have followed and contributed a great deal to the monumental advances in our society engineered by the administration of **President Olusegun Obasanjo** deserve no less.

But then, while we waited to properly get off the ground, so much water was passing under the bridge. It was therefore a deliberate decision to come out at this time, to put some of these happenings in proper perspectives.

**Zero Tolerance** could not have debuted at a more auspicious time in our national life. At this time we are witnesses to unsurpassed successes on various flanks of the war on corruption. But, there is no victory dance yet; the enemy is not fully routed. Indeed, there is cause to worry even more now, than when the war was declared, as, having seen the determination of those leading the charges on the various fronts, the enemy forces have quickly reassessed the situation and are falling back on destroy-and-die kamikaze tactics.

So, today, we see corrupt politicians, dyed-in-the-wool 419ers -some of who have journalists in their employ- cross border fraudsters and unscrupulous law enforcement agents teaming up to fight the war of their lives. And, they are on a whirlwind recruitment drive for suicide fighters: anyone who has a genuine or untenable disagreement with the policies of government is a potential target.

EFCC chairman, **Mallam Nuhu Ribadu** perceptively x-rays this latest trend in his very engaging piece Appraising the War on Corruption. The piece is a veritable anchor of the extensive collector's item cover on corruption in the public service by which we have tried to do mid-battle assessment of on-going efforts to clean up the Nigerian nation.

**Mobolaji Aluko**, professor at Howard University Washington, DC, and relentless campaigner against corruption, 419 and other social vices, throws in an unjustifiably delayed piece (from our own end) on *Simple Things to do about Corruption*.

Of course, there are takes on the cases that have riveted the attention of the nation -from that of former Inspector General of Police, **Tafa Balogun** to those of the twin Houdini of our time, former **Governor Diepreye Alamieyeseigha** and **Governor Joshua Dariye**. Given that some of the matters are still being inquired into by competent courts of law, we have exercised due caution in our reports and reviews.

There is also a piece which briefness belies its incisive presentation of the case for rebuilding the Nigerian nation, written by **Emmanuel Akomaye**, Secretary of the Commission. Madam Due Process, **Dr. Oby Ezekwesili** and **Emeka Ifezulike**, a member of the Board of EFCC lead us on an engaging tour of the public sector. From their clinical analyses and conversational writing, you can actually see the muck, smell the decay, taste the rot and then...begin to feel the gust of public sector reforms sweeping all that into oblivion.

Transparency International President, **Peter Eigen** gives the *FirstWord* and Chief **Gani Fawehinmi**, Senior Advocate of Nigeria and irrepressible human rights campaigner, the *LastWord* -ringing endorsements of EFCC, the idea, the actions, the vision. No one could have asked for more in a first edition.

You are wanted...to join the war. Sign up today and welcome onboard **Zero Tolerance** for corruption, economic and financial crimes.



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# EFCC Secures First Conviction For Terrorism

The first major breakthrough in the effort at stemming the rising wave of terrorism in the Niger Delta was recorded on February 6, 2006 when a Federal High Court in Kaduna, convicted the quartet of Felix Fedaghe, Ediri Okota, Pere Golubade and Lucky Atere for their role in the kidnap of two British employees of the oil company, Pan Ocean Oil Corporation in Warri, Delta State. They were sentenced each, to three years imprisonment without any option of fine.

Paul Alfred, 60 and Michael Coe were allegedly kidnapped by the accused persons on September 28, 2005. A week after, on October 30, 2005 the accused persons were arraigned before a Federal High Court,

Kaduna presided by Justice Abdullahi Liman, and charged with conspiracy to commit terrorism, an offence that is punishable under section 15 sub-section 1, 2 and 3 of the EFCC Act, 2004.

In his ruling, the trial judge, Justice Liman acknowledged the fact that the accused persons had shown remorse for their offence by not wasting the time of the court. Nevertheless he observed that their action had negative consequence for the image and integrity of the country for which they must be punished. He therefore sentenced the quartet to three years imprisonment.

The convicts are already serving their term at the Federal Prisons, Port Harcourt.



• EFCC Chairman, Ribadu presents Cheque a of \$4.4 million recovered from fraudsters to 86-year-old victim of 419.

## United States Officials Visit EFCC

The government of the United States of America has offered to assist Nigeria in its fight against corruption and financial crimes.

Mr. Jerry Rowe, Regional Adviser, U.S Department of Treasury disclosed this September, 2005 during a visit to the headquarters of the Economic and financial Crimes Commission, EFCC in Abuja.

Mr. Rowe, who was received by the Commission's Secretary Mr. Emmanuel Akomaye, revealed that the American government has earmarked \$1.7million for the financing of projects in support of good governance and accountability in Nigeria.

Explaining further, he said about \$1.1 million of the facility will be used in financing a project in the Accountant-General's office, while the remaining \$600,000 will be used to assist "one or two components of EFCC".

Apart from this, Rowe disclosed that the U.S State Department had committed \$500,000 to training and technical assistance on different projects relating to anti-money laundering, counter terrorist financing and anti-corruption measures in Nigeria.

Responding, Mr. Akomaye commended the U.S government for its assistance and commitment to supporting good governance in Nigeria.

He highlighted the functions and achievements of the Commission and sued for greater collaboration between the two countries especially in the area of crime fighting, to improve the performance of the Commission.

He disclosed that the Commission is in the process of setting up a specialized unit, which will be responsible for investigating terrorism financing in the country.



• Ribadu, handing over a cheque for \$17m being initial settlement of recovered funds to agents of Banco Noroeste of Brazil swindled of \$242m by jailed Nigerian 419ers.

## EFCC Recovers and Returns \$4.48m to Duped 86 year-old Hong Kong Woman

An 86-year-old woman, Juliana Ching, was on 26th September, 2005 presented a cheque of USD 4,481,909.94m in Hong Kong, by EFCC Chairman, Mallam Nuhu Ribadu. The money is part of recovered funds from a fictitious transaction initiated by one Basil Nkenchor, a Nigerian, purporting to be Alhaji Ibrahim Abba, Group Managing Director of the Nigerian National Petroleum Corporation, (NNPC), sometime in June, 1995.

Presenting the cheque, Mallam Ribadu assured the government and people of Hong Kong that the efforts of the Nigerian government to clean up Nigeria were beginning to yield positive fruit as the country was no longer being seen as a safe haven for criminals and corrupt public officers. He therefore implored potential investors to come and invest in Nigeria, as the country was witnessing a tremendous change with the sanitisation of key sectors of the economy.

While he assured that EFCC would continue the crackdown on criminals, the EFCC Chairman was happy that the negative perception of Nigeria was beginning to change.

A classic '419' letter from Nkenchor to Mrs. Ching's daughter, Vivian, sought assistance to transfer to her account abroad, the sum of USD 25m being sum supposedly overpaid by the Nigerian Government on some phoney procurement contracts for which they were supposed to receive 25% of the sum involved.

Between June 1995 and April

2000, while the scam lasted, the victims transferred about HKD320m to accounts in Nigerian banks provided by the 419 kingpin and his group.

## UN Terrorism Team Visit EFCC

The Economic and Financial Crimes Commission, EFCC on Monday October 10, 2005 played host to a high-powered delegation from the United Nations Security Council Sanctions Committee on Al-Qaeda and the Taliban.

Led by Ambassador Cesar Mayoral, Chairman of the Committee and Permanent Representative of Argentina to the United Nations, the delegation were received at the Commission headquarters by the Chairman, Mallam Nuhu Ribadu.

Explaining their mission, Ambassador Mayoral said they were in EFCC to know more about the activities of the Commission especially its role in fighting terrorism and terrorist financing.

While commending the efforts of the Commission in fighting economic and financial crimes, Mr. Mayoral urged the Chairman not to be oblivious of the UN resolution on terrorism and its financiers while handling such cases.

Responding, Mallam Ribadu said EFCC as a body vested with the responsibility of fighting terrorism and terrorist financing cannot afford to treat the problem with kid



gloves.

He said to this end, the Nigerian Financial Intelligence Unit (NFIU) was established in 2004 to monitor any suspicious money transfer that might be used for terrorist financing.

The Chairman further said that with the collaboration of other FIU's around the world, EFCC have identified many illegal financial transactions coming into and going out of the country.

He disclosed that a special unit called the Anti-Terrorist Unit was recently created in the commission

to collate and act on information on terrorist activities from all over the world.

However, to effectively combat terrorism and its financing, Mallam Ribadu said the Commission, through the assistance of countries like the United States of America, and multilateral agencies such as the World Bank and European Union has worked out a training programme on counter-terrorism and detection of terrorist financing for selected EFCC staff.

## Ribadu Tasks Ghanaian Anti-Corruption Conference

Corruption has been undermining countries in Africa economically, politically and socially for decades. In recent years, political leaders all over the world have courageously committed themselves to fighting corruption. They have promised to eradicate the legacies of past regimes. Unfortunately, this has often proved to be more difficult than expected.

It is against this backdrop that a Regional workshop on Advancing Anti-Corruption Conventions in Africa was organized in Accra Ghana from 20th-21 March 2006 to help Political Leaders working with civil society organizations and enforcement agencies to take anti-corruption reforms to the next level.

Jointly organized by Transparency International (TI), the Institute for Security Studies (ISS) and The United Nations Development Programme, the workshop provided a unique opportunity to sensitize the 13 countries from West Africa and members of Civil Society on the global and regional initiatives that are in place to mitigate corruption.

Speaking during the occasion, Mr. Daouda Toure the UNDP Resident Representative for Ghana said one important milestone in the fight against corruption is the UN Convention against Corruption which was adopted by the General As-

sembly in 2004 and has been signed by 111 countries.

Delivering a keynote address titled "the Importance of Anti-Corruption Convention for West Africa, the Chairman Economic and Financial Crimes Commission (EFCC) Mallam Nuhu Ribadu disclosed that Nigeria ratified the UNCAC in December 2004, and even long before then, she had taken steps to implement the provisions of the Convention like the enactment of the first legislation specifically targeting corruption in the country, through the Independent Corrupt Practices (and other related Offences) Act 2000.

The Chairman said other steps taken by Nigeria to implement the Convention is the establishment of EFCC in 2003 and a Financial Intelligence Unit (FIU) consistent with Article 58 of the Convention for receiving, analyzing and dissemination to competent authorities' reports of suspicious financial transactions. He brought to the attention of the gathering the other reform actions taken by the Nigerian government, including the establishment and work of the Due Process Office in the Presidency, the work of the Code of Conduct Bureau, the Extractive Industries transparency Initiative (EITI) and the oversight functions of the National assembly.



• Ribadu (in white) and other participants at a West African Regional Workshop on Anti-Corruption Conventions in Ghana.

## LEGAL REPORTS

### N 28.8m Fraud: FCT Chief Registrar Enters Defence

Satisfied that a prima facie case of theft had been established against them, the Federal High Court sitting in Kaduna ruled in February 2006, that Aisha Abubakar Ibrahim and the other two accused along with her should enter their defence. This they did, March 30, 2006.

In a testimony that lasted until the next day, the defence

brought forward all their witnesses who were cross-examined by the prosecution. Finally, the three accused gave their testimonies in Court and the matter was adjourned for adoption of written addresses. Meanwhile the case of Money Laundering against them is also ongoing.

We await the ruling on these matters as soon as possible.

### Plateau Officials Trial Start

The trial of six Plateau State Government Officials has started in earnest in two courts in Abuja.

From the Gudu District of the FCT High Court, the trial for theft could not proceed on April 11 because the documents needed by prosecution to tender before the Court were in the possession of the Federal High Court, Kaduna, so an application was made to enable them obtain a certified true copy (CTC) to tender before the Court.

And from the Federal High Court, Maitama, Abuja, where they face Money Laundering charges, the Chief witness for the prosecution, Jolly Cole,

could not come to Court, as he alleged through his personal lawyer, that he was being threatened by Gov. Joshua Dariye of Plateau State. The lawyer however informed the court of his client's willingness to testify if EFCC could guarantee his safety and that of his family. According to the lawyer, the fear for his life has forced Cole to move his family out of Abuja to a secret place. The defence team however dismissed the information as mere speculation.

The Court adjourned the hearing to 14th and 15th of June 2006 to enable prosecution make arrangements to bring the star witness to Court.

### Defense Lawyers Stall N1.16b Plateau Ecological Fund Trial

At the resumed hearing of the case of conspiracy and money laundering involving the N1.16b Plateau State Ecological Fund at the Federal High Court, Kaduna, the trial judge ordered counsels to the accused persons to appear in court and subsequently adjourned proceedings for 24 hours.

The action was considered as a last ditch attempt by the judge to speed up trial following the failure of the counsels to the accused persons to appear in court on five consecutive dates.

The judge said that it was in the interest of justice, the court and the accused persons for their lawyers to make an appearance.

Awe Odesa, Allstates Trust Bank and Adonye Roberts are being tried for their roles in helping the Governor of Plateau State, Chief Joshua Dariye launder the N1.16billion Ecological Fund through Ebenezer Retnan Ventures, an unregistered company said to belong to the governor. Chief Dariye enjoys immunity from prosecution.



• EFCC staff leading a section of the UN anti corruption day march in Abuja.

## Man Bags Ten Years For Terrorism

By now, Joshua Mac'iver must be adjusting to life in prison. He was on February 27, 2006 sentenced to 10 years imprisonment by the Federal High Court Kaduna for act of terrorism.

Mac'iver and five other young men in military fatigue had allegedly attacked the Flow Station of the Italian oil major, Agip at Tebidaba, Southern Ijaw, Bayelsa State with intent to forcing the company to enter into an agreement with them. But luck ran out of them when a Naval patrol team confronted them killing four of them in the ensuing gun battle. Mac'iver was one of the two that escaped. He was arrested and arraigned since October 4, 2004.

In sentencing him, the judge observed the defiant posture of the accused that did not change his plea in spite of the overwhelming evidence against him. He noted that the offence for which the accused was arraigned had become a menace which was ca-

pable of destabilising the country, adding there was need to deter others involved in the crime. He therefore jailed the accused accordingly.

This brings to two the number of terrorism related conviction by EFCC.

### EFCC Can Arrest Suspects -Court

Attempt by Plateau State government officials to stop further arrest of the state officials failed on February 27, 2006 as the Federal High Court, Kaduna ruled that the Commission can arrest suspects so far as it has valid warrant of arrest obtained from the court.

The ruling was sequel to a motion asking the court to stop the EFCC from further alleged harassment and arrest of Plateau State officials.

## Another 'Nuhu Ribdu' Risks Ten Years In Jail

For Murtala Abbas Ubandawaki a. k. a. Nuhu Ribadu, prison beckons. The accused person who is standing trial before the High Court, Zaria, Kaduna State on charges of criminal impersonation has already entered his defence after which the court will deliver judgement.

So far Ubandawaki maintains his innocence of the charges

against him.

The accused on or about April 16,2005 presented himself to the Governor of Zamfara State,Alhaji Sani Ahmed , as Mallam Nuhu Ribadu, Executive Chairman, EFCC with a view to obtaining the sum of N1million from him through the Zaria branch of Standard Trust Bank.

He risks ten years imprisonment on conviction.

## EC Approves N3.8 billion Support For EFCC

The European Commission (EC) has approved the sum of 24.7 million Euro (about N3.8 billion) to support Nigeria's Economic and Financial Crimes Commission (EFCC) and other relevant law enforcement institutions.

The main objective of the EC-supported project is to enhance good governance and financial accountability, and to check fraud, waste and corruption. The project is therefore in line with the Federal Government's crusade against corruption and other forms of financial crimes.

Specifically, the project aims to:

- Provide the EFCC with the required equipment and technical support;

- Further improve the knowledge of the EFCC staff through training, in-country and overseas;

- Strengthen the capacity of

the judicial system to prosecute and try economic and financial crimes.

The United Nations Office on Drugs and Crime (UNODC) will implement the European Commission's support to the EFCC and the Judiciary in the following four areas:

1. Equipment for the EFCC, the Financial Intelligence Unit (FIU) and the Training Centre

2. Training

3. Strengthening links between the EFCC/FIU with specific target groups, such as the private sector and similar institutions overseas, and create awareness among the wider public about the impact of financial crimes

4. Assistance to the Judiciary.

The project will cover all the states of the country and is expected to last three years, from October 2005 to December 2008.

## Agric Fund: EFCC To Prosecute Loan Defaulters

The Federal Government has drafted the Economic and Financial Crimes Commission (EFCC), into the Presidential Credit Initiative Committee headed by Dr. Ngozi Okonjo- Iweala to ensure that beneficiaries of the presidential initiative do not default in re-paying the loans.

The National Coordinator (NC) of the National Poverty Eradication Programme (NAPEP), Dr. Magnus Kpakol disclosed at a meeting with State Coordinators, in Abuja that the decision came about just as the Government came out with details of how to raise N50 billion in order to make agricultural loans available to farmers at subsidized rate.

Dr.Kpakol said, President Olusegun Obasanjo was very concerned about the issue of ensuring re-payment of loans to be handed out to farmers and therefore personally directed the EFCC to join the committee, even before the commencement of disbursement in June.

According to the National Coordinator, "The President called to say EFCC has to join the committee. He said if any one takes the agric loan and refuses

to pay; it is financial crime and must be made to face EFCC"

He disclosed that N30 billion would be raised by the 25 deposit money banks in the country and another N6billion would come from Small and Medium Equity Investment Scheme contributions.

40 percent of the N50 billion would be channeled to small farmers, the National Agricultural Cooperative and Rural Development Bank of Nigeria; 0.7 billion from the MDG Fund of the Federal Ministry of Agriculture and the balance of N7.4 billion from state governments who would contribute N200 million, each.

The N50 billion, according to the coordinator, would be utilized, 60 percent for direct farming purposes and 40 percent for agro allied processing. He said 10 percent of the entire fund would go to women

Loan categories would be N20million and above for large-scale farmers; N5million to N20 million for medium scale farmers; N250, 000 to N5 million for small-scale farmers while N250, 000 and below for micro farmers.



# If Nigeria Fails...

By Peter Eigen



•Oshodi... the chaotic slum of Lagos, Nigeria's commercial capital.

**G**enerally, I have to say that the success or failure of Nigeria in fighting corruption will be extremely important, not only for Nigeria and the people of Nigeria, but for the whole continent of Africa, and in many ways, worldwide. Because, if Nigeria fails, then the cynics and the pessimists and the sceptics will have their day. They will be able to say it is impossible to deal with corruption, particularly in a market which seems to have been so much infected by corruption, so much so that some people consider it a normal thing.

But if Nigeria succeeds in dealing with corruption, it will not only succeed to

build a basis for prosperity and for democracy and for freedom in this wonderful country, but it will also be an example for other countries, that one simply cannot accept corruption as something normal. In essence, the setting up of the Economic and Financial Crimes Commission is an important new step in Nigeria.

This government has been at work in the last six years and it has done quite a number of things that we at Transparency International have recommended to many governments of the world –they have taken this holistic approach, they have changed the laws, they have strengthened institutions, they have changed policies, they have fired some people, they have prosecuted some people. Nigeria is

leading in this effort and it will really help the image of the country in many ways. This is very impressive and so is the creation of the EFCC.

But a lot still remains to be done. The Freedom of Information legislation is not yet through, the Whistleblower's protection is not yet complete, in government procurement, there is still a lot to be done. What has been done with the Due Process office is very, very important. This should extend to more contracts. I understand there is some investigation into some Halliburton contracts, and so on.

There is still a lot to be done at the states and local level; probably much more can be done at the village level, in various sectors like in the education and health sectors, where there is so much corruption. The health sector particularly, because that involves human life. But this is something the government cannot do alone; it is something for the civil society groups to do. That is why it is important you work with civil society groups.

The local chapter of Transparency International is fortunate that the Nigerian government is willing to listen to civil society groups. But sometimes, I feel the government is a bit too sensitive; if they don't hear praises all the time, then they get angry and so on. But, on the other hand, I have to say I have always maintained the Corruption Perception Index as a valid instrument (of assessing progress made in tackling corruption), I have never apologised for it and yet, I am a popular man in Nigeria. So in a way if people say the truth and they have the professional substance to do this, then I think it will be accepted and this is what I hope our national chapter will be able to develop. The action against corruption must be carried through. Nigeria cannot afford to fail.

•Eigen, is President, Transparency International.

“  
This government has been at work in the last six years and it has done quite a number of things that we at Transparency International have recommended to many governments of the world –they have taken this holistic approach, they have changed the laws, they have strengthened institutions, they have changed policies, they have fired some people, they have prosecuted some people.  
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• Peter Eigen, President, Transparency International





# EFCC And National Security Imperatives

■ By Bala Ciroma ■

# A

mong the many factors that influenced the setting up of the Economic and Financial Crimes Commission, EFCC was the determination to reverse the corrosive effect of corruption on national security.

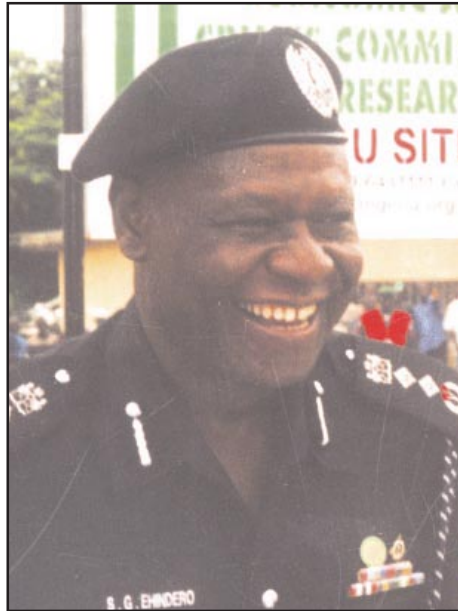
Often when reference is made to national security in public discussions, the imagery is that of the physical policing of the nation's territorial borders. While this is part of it, the concept is more encompassing. For the purpose of this article we may define national security as the aggregate of measures taken by a state to guarantee the security of its nationals, public and private institutions, territorial integrity, economic buoyancy and above all continued positive international perception. Sensitivity to these imperatives has never been lacking in Nigeria. Successive administrations have emphasized the need to adequately protect our national security assets. Regrettably, our effort in this respect was undermined by factors such as corruption and organized crime.

Economic and financial crimes especially advance fee fraud, money laundering, contract scams and cyber crimes impacted negatively on our country's image abroad, to the extent that the country was unable to attract foreign direct investment.

Brazen cases of corruption and organized crime tended to create the impression that either the state was unable to enforce its anti-corruption laws or was encouraging its citizens to indulge in the unwholesome practice.

The situation was worsened by the fraudulent activities of some Nigerians outside the shores of this country, which created a situation where the average Nigerian was considered a potential criminal anywhere in the world. As a result, our nationals were subjected to dehumanizing treatment at international airports, while international transactions involving Nigerians attracted intense scrutiny and suspicion.

From the forgoing it is evident that corruption undermines the country's integrity and security. It also poses serious developmental challenge, being responsible for the poverty of the



• Sunday Ehindero, IGP

population.

When public resources meant for the development of the society ends up in few hands, the nation is the worse for it because it will be denied of social amenities such as portable water, electricity and good roads. The populace becomes demoralized, and a willing tool to be used to sabotage the state.

There are other tendencies. For instance, the smuggling of substandard goods into Nigeria with the connivance of corrupt customs officials has led to the decline in local industrial capacities. This has resulted in the unfortunate closure of some industries thereby worsening the unemployment situation in the country. The attendant consequence was the high

level of crime in the country. Under such an arrangement, the level of foreign investment inflow into the country will be low as genuine investors are not attracted to an environment that is steep in corruption and where the infrastructure that will sustain their investments are lacking.

However, with the realization that political, economic and social development cannot be attained or sustained in Nigeria without first tackling or eradicating corruption, President Olusegun Obasanjo made the anti corruption campaign a priority programme of his administration. This culminated in the establishment of the Economic and Financial Crimes Commission, EFCC and similar agencies.

Since the establishment of EFCC in 2003, the commission has been quite active, trying to fumigate the country and clear it of the stench of corruption. Saddled among others, with the responsibilities of combating financial and economic crimes such as money laundering, bank fraud, advance fee fraud; the commission has made the country a safer place for genuine business people while crooks in the corporate world are finding it increasingly difficult to operate. There is no gainsaying the fact that EFCC has impacted positively on national security in the past three years. Apart from making the country more attractive and safer to foreign investors, the assets worth millions of dollars recovered from fraudsters and the hundreds of suspect being prosecuted in court are evidence of the commission imprints.

As a result of the presence of EFCC, it is no longer business as usual for the corrupt. More than ever before, public officers are more prudent and accountable in the discharge of their duties as the fear of the Commission is now the beginning of wisdom. The recent debt relief granted Nigeria by the Paris Club, its improved placing on the Transparency International Corruption Perception Index and the appreciable increase in foreign investment inflow into the country are evidence that the commission's anti corruption campaign is well on course.

• Ciroma is Head Operations, EFCC, Abuja.

“ *When public resources meant for the development of the society ends up in few hands, the nation is the worse for it because it will be denied of social amenities such as portable water, electricity and good roads. The populace becomes demoralized, and a willing tool to be used to sabotage the state* ”



# APPRAISING THE WAR ON CORRUPTION



■ By Nuhu Ribadu ■

**T**he war on corruption is certainly the most important war ever to be fought in Nigeria. And, if one may be permitted the appropriation of a phrase made popular in a

different and extremely unfortunate circumstance, this is “the mother of all wars” and it is the war we should have fought before the various tribal and communal wars; we should have fought this war before the civil war and even before the current expression of discontent in the Niger Delta.

**The war against corruption is the war of our lives and it is the war of the people, by the people and for the people. It is the situation of endemic corruption that gives rise to all manners of social, political and economic injustices that further spawn the armies of discontent people who take up arms against each other and against those symbols of the system that most express the dire and unwarranted situation of corruption that plague their**

**lives on a daily basis.**

So, the war on corruption is a war that cannot be abandoned and must be won, whatever it takes. Corruption is the reason why institutions do not work; it is the reason why social infrastructure are non-existent or dilapidated; it is the reason why values are upside-down; it is the reason for military coups and political shenanigans; it was the reason Nigeria was on the brink of total collapse, until the administration of President Obasanjo came in 1999 and decided to do something concrete about the promises consistently made by various governments to do something about corruption. The administration was voted into office largely based on the strong campaign promise that it would tackle corruption and it has kept the promise.

The very first bill that was sent to the National Assembly was the one asking for the criminalization of some of the acts we had long accepted as ways of life, but which we knew were the hallmarks of a corrupt society. The Act which was passed by the National Assembly created the Independent Corrupt Practices (and

Other Related Offences) Commission, ICPC, which immediately set about the task of fulfilling its mandate to rid the Nigerian public sector, of the malaise of corruption.

By 2002 however, it was discovered that the war also needed to be fought from yet another flank, in addition to those at which some regulatory and law enforcement agencies as well as the judiciary were already deployed. Thus, the Economic and Financial Crimes Commission (EFCC) was set up, first as an Act of the National Assembly in December 2002 and later by inauguration in April 2003. I have had the privilege and the very challenging and humbling experience of heading the organisation since then and leading men into this war of our lives on the flank that has been assigned to us by the government and people of Nigeria. The following are the various fronts on which this all-important war is being fought:

#### **Battle against 419**

While we were bothered by the actions of compatriots who mismanaged and stole



our resources, a few others capitalising on the greed and trusting naivety of many foreigners, sold them bogus money making schemes and swindled them of their life savings. The reputation that Nigeria acquired in the international circles therefore, was not only that of a place where nothing worked as a result of corruption, but also that of a haven for international fraudsters. We resolved therefore to take such actions at home that would also send the same message simultaneously to the fraudsters in our midst and to their victims and potential victims abroad that the old order was being replaced by a new order of law enforcement without fear or favour.

We immediately went after the 419 kings and queens and took them off the streets, resuscitating cases that had long been swept under the carpets and building new ones. **Some of the biggest convictions of**

**EFCC today are those secured against some of these kingpins of advance fee fraud. And, not only have we sent them to many years in jail, we have taken all their illegally acquired wealth and returned them to their victims and the Nigerian State. Millions of dollars have since been returned by EFCC to victims of 419 across the world.**

#### Stopping Government Revenue Haemorrhage

EFCC has been very active in the area of recovering lost government revenue, at the ports, in the oil industry and the manufacturing and service provision sectors. This is perhaps one of the most underreported aspects of the work we do. However, by our extensive but quiet activities in the various sectors of the economy, actual recoveries we have made to government and projected revenue

losses saved by our interventions run into several billion naira.

#### Taking the War to Corrupt Government Officials

This is perhaps the most well known aspect of our work, and I think it is so well known and controversial because it involves taking far reaching decisions and actions that had never been contemplated in this country before now. For our work in this area, we have earned praise and condemnation: those who see the altruistic goals and appreciate the sincerity of the efforts, praise the courage, the guts and the professionalism; while those who condemn us are the people who have been caught in the wide but strong web of law enforcement and who have found a dubious point of convergence with those who have legitimate fears that things could spiral out of control.

**Whatever the views held of us however,**

# The Dariye's Investigation

■ By the ZT Team ■



• Gov Joshua Dariye

**N**othing prepared the operatives of the Commission for the hostilities and indignities which they endured during a recent operation in Jos, Plateau State. The team led by Mr. Illiyasu Kwabe, a Superintendent of Police had arrived Jos in continuation of the ongoing investigation of the state governor, Chief Joshua Dariye for corruption and money laundering.

The team was professional in its approach to the assignment. No sooner they arrived Jos than they went to the state police command headquarters not only to register their presence in the state but to request additional security cover which was granted with a couple of mobile policemen drafted to join the team.

With the reinforcement, the team launched itself fully into the task at hand, with its first port of call being the personal residence of a lady by name, Ms. Christabel Bentu, a consort of Chief Dariye, who along with the governor are at the centre of the

drama over the looting and laundering of over a billion naira Plateau State Ecological Fund. The lady was with the governor in London in 2004 when he was arrested for money laundering.

By some coincidence Dariye was at Bentu's residence when EFCC operatives came calling early in the morning. But the operatives could not savor their luck for cornering Bentu, the object of their visit, as the governor dared them to enter the residence to execute a search. However, unruffled by the governor's grandstanding, the team leader, a quintessential gentleman officer, pleaded with Dariye not to stand in their way, assuring him that they (operatives) were not there for him. But the governor would not be placated. He hollered and threatened fire and brimstone while the operatives soaked in all the insults and went ahead to effect Bentu's arrest.

However after the encounter with the governor at Bentu's residence, Dariye made it his business to trail the team, making desperate attempts to obstruct their investigation. The governor

**we will continue to operate in accordance with the law that set EFCC up and in obedience to the Constitution and the wishes of the people of Nigeria.** While we recognise and feel humbled by the fact that so much is expected of an organisation that is barely three years old, we must draw attention to the fact that EFCC is presently working at all tiers and arms of government. We are physically inquiring into activities of several agencies, ministries and parastatals and we have interviewed hundreds of key government officials about their roles in the management, or as the case may be, mismanagement of the positions and resources they were supposed to hold in trust for the people.

EFCC is the coordinating and primary enforcement agency for all economic and financial crime laws in Nigeria, including the Money Laundering Act 2004, the Advance Fee Fraud Act, the Failed Banks

(Recovery of Debts) and Financial Malpractices in Banks Act as amended; the Banks and Other Financial Institutions Act 1991 as amended and the Miscellaneous Offences Act. So, the Commission is involved in a wide area of economic activity and interested in the criminal conducts that happen in those areas. When public officials steal money, they don't usually hid it under their beds or bury it in holes in the ground. If they channel such illicit funds through the banking sector or they invest in property, stocks, indeed, if they engage in any economic activity or move cash above a certain threshold, they are subject to investigation, arrest, sanctions and possible prosecution under any of the laws listed above, that EFCC enforces.

But, it is absolutely wrong to take only the enforcement activities of the Commission and think those are all there are to EFCC. **Much of our work is done**

**quietly and so unobtrusively that many only feel the effects rather than see the action itself.** For instance, we have a strong administrative support backbone at the top of which is the Secretary to the Commission, which ensures that things run smoothly and the men on the field do not have to be worrying about issues that do not have a direct bearing on the job at hand; the EFCC Training and Research Institute, in Abuja, not only trains high quality manpower for the Commission and other law enforcement agencies in the West African sub-region, it also trains highly valued middle and top management gatekeepers for financial institutions and regulatory agencies in Nigeria. EFCC is also the designated Financial Intelligence Unit (FIU) for Nigeria. The FIU which is fully equipped and manned receives, analyzes and sends results of analyses of suspicious transactions reports received from financial and designated non-

the next day stormed a Guest House where the operatives had gone in search of a suspect. He threw decorum to the dogs when he personally seized, disarmed and abducted a police officer attached to the EFCC team. The officer was beaten to pulp by his captors at Government House, Jos before he was released.

The treatment meted to the officer was not enough to assuage Dariye's wounded ego. The governor was literally on the prowl. He again surfaced when the team went to the home of a bank manager. He tried to prevent the officers from going into the place. But the climax of the governor's affront was at the house of his younger brother who happens to be a council chairman in the state. Like the previous encounters, the governor trailed the team to the home of his younger sibling and declared that nobody would be allowed to execute a search on the property. Unlike previous encounters the governor was in no mood to accept any entreaties to allow the investigators to do their job. He was prepared for a showdown. As Kwabe pleaded with him to make way for his team to work, Dariye overstepped the bounds of decency as he personally struck the officer. He didn't stop there. He asked his boys to deal with them. The blank cheque from the governor was enough for his private militia to send the operatives to the Jos University Teaching Hospital with various degrees of injuries.

EFCC's presence in Plateau state is neither a flight of fancy nor a mission of vendetta. The decision to investigate the governor followed his arrest in London by the Metropolitan Police on suspicion of Money Laundering. Huge sums of money were found on him, while bank accounts with huge deposits were also traced to him. Preliminary investigation with the banks where these accounts are domiciled indicated that this money was transferred from banks in Nigeria with individual companies that were said to have authorized the transfers.

Based on this finding a request was made to the Attorney General and Minister of Justice for further investigation on the leads emanating from London. This is a valid request that conform to global tradition of cooperation in international law enforcement. EFCC would be failing in its duty as the anti corruption watchdog if it had ignored such request for assistance. And investigation has more than confirmed the suspicion of the British authorities that the money found on the governor was stolen from the public treasury. More than this, the investigation has opened a can of worms of sorts about the regime of sleaze in Plateau state, especially the wholesale appropriation of the N1.16billion Ecological Fund by Dariye. The fact of EFCC investigation was presented to the Plateau State

House of Assembly which is currently investigating the matter, after initially failing to do so. The Commission was invited and Mr. Ibrahim Lamorde, the Director of Operations has appeared before the House Investigation Panel, twice.

In the meantime, a number of officials who helped the governor to plunder the resources of Plateau state are undergoing trial at the Federal High Court in Kaduna.



• EFCC bus smashed by agents of Gov. Dariye



• Onwuegbu and Illiyasu, assulted EFCC Operatives alighting from the police helicopter that evacuated them from Jos.



# Tafa: One Drama of a Trial



• Tafa Balogun

■ By the ZT Team ■

**T**here is an apocryphal tale of the tortoise and his in-laws in the trail of events following the Wednesday, 29 June 2005 drama in the premises of the High Court of the FCT, Abuja.

It is said that the tortoise stole just about everything of value his in-laws ever had and on being found out, was consequently tied to the stakes whereupon, everyone going to the farm in the morning, on being told what the cunning animal had done, heaped abuses on him and cursed the day he inflicted himself on the community. Some gave him a few slaps and knocks to boot. However, by evening when they were returning from the farm, those who willed fire and brimstone on the scoundrel were the very ones who railed against his captors, wondering, “Ah-ah! You want to kill him? After all, did he murder anyone?”

This folklore which expression in English has not done deserved justice is said by its tellers to approximate the EFCC-Tafa tango. The correlation between the situation of the age-old animal kingdom scoundrel and the former Inspector General of Police, Mr. Tafa Balogun is that in both instances, their handlers managed to shift justified popular anger and focus from the alleged unjustifiable crimes. However, unlike the atavistic tortoise, technology and a more-than-generous dash of the Thespian spirit made it far easier for his lawyers to pull off a remarkable, even if fleeting makeover of the immediate past IGP -turning the accused who, it is said, plundered and looted his

financial institutions to law enforcement and regulatory agencies to keep track of and promptly deal with money launderers and terrorism financiers before they cause major disruptions to the society. Our Media and Publicity arm has also embarked on a vigorous campaign through various media –indoor, outdoor, print, and electronic, educating and sensitizing Nigerians about the evils of

engaging in corruption and economic and financial crimes. We dare say that the multifaceted strategy is achieving results. The change may be slow in coming, given that we were for so long at the nadir of our lives as a nation, but now we are picking ourselves up from the gutters and every day, we see more and more converts who until now, never believed that Nigerians could do anything about corruption in

Nigeria.

**However, EFCC is only one of the vehicles by which the reform process of government is being executed.** So much work has been documented as having been done by the Code of Conduct Bureau for instance and the Due Process Office in the Presidency has drastically cut down the cost of government doing business. There is also the Extractive

way to a hefty N17b treasure chest, into a 'persecuted' saint.

But then, how did it all start? EFCC said the former IGP was guilty of dipping grubby hands in the public till and was ready to prove it beyond all reasonable doubts in open court. It went ahead and slammed a 70-count charge of corruption and stealing N12.861 billion belonging to the Nigeria Police against the swashbuckling former IGP. Also arraigned with him were seven companies allegedly used by him to siphon the looted funds. The companies include, Yeboa Investment Limited, Caledonian Telecommunications Limited, Renovations Construction Limited, Aworo Investment Limited, Olatrade Limited, Yeboa Nigeria Limited and Ceejay Properties Nigeria Limited.

The charge reads in parts:

- That you Tafa Balogun, former Inspector-General of Police on or about 20th July 2004 in Abuja did transfer the sum of N87,720,000.00 (eighty-seven million, seven hundred and twenty thousand Naira) which sum you knew represent the proceed of an illegal act to wit, theft, property of the Nigeria Police Force which aim is to conceal the nature of the said illegal act by buying 1,500,000 shares of Nigerian Breweries Plc and thereby committed an offence contrary to section 14(1)(a) and punishable under section 14(1) of Money Laundering Act 2004.

- That on or about 20th July 2004 in Abuja you transferred the sum of N42, 000,000.00 (forty-two million) which sum you knew represent the proceed of an illegal act to buy 1,500,000 shares in First Bank of Nigeria Plc and thereby committing an offence..

- That you Tafa Adebayo Balogun, former I-G of Police, Ceejay Nigeria Ltd and Gbenga Ajala, Relationship Manager, Abuja Branch of Fountain Trust Bank (now at large) sometimes in May 2004 in Abuja did use the sum of N350million belonging to Nigerian Police to buy a block of 6 numbers of 3 bedroom flat at Olusegun Aina Street, Park view Estate, Ikoyi, Lagos in the name of Ceejay Properties Nigeria Ltd and thereby committing a punishable offence..

In addition, details of the alleged transfer of funds by Balogun to buy shares in blue chip companies were provided.

Balogun pleaded not guilty to the charges, but curiously refused to avail himself the opportunities offered to clear himself of the weighty allegations. Instead, he waxed the 'I'm hunted/ Oh, I'm persecuted' song. There was the allegation of persecution by the President himself, for his supposedly being in the camp of the Vice President in the so-called face-off between the First Citizen and his deputy. Then the yo-yo swing changed, that it was the Vice-President, whom was identified as EFCC chairman, Nuhu Ribadu's godfather, who was against him.

Next was the fatalistic allegation that it was Ribadu that was after Balogun because he opposed the appointment of the EFCC chairman because, according to him Ribadu was too junior for that position and later, that he refused to promote Ribadu to the next rank of Deputy Commissioner of Police. This claim which is farfetched shows ignorance of the provisions of the EFCC Establishment Act which stipulate that the position of chairman could be held by any



• Tafa Balogun in court shortly before making his infamous 'I will bounce back' statement .

serving or retired security officer from the rank of Assistant Commissioner of Police up.

In the brief period he was with EFCC, Tafa shouted through his lawyers that Ribadu planned to poison him, simply because his wife and others who ostensibly wanted to give him food were disallowed entry into the detention facility at ungodly hours of the night. It is instructive that after they made the poisoning allegation and the Commission applied to the court to take Tafa from its custody, and transfer him to a 'more secure' prison or police facility, his lawyers did a 360 degrees and opposed the application, preferring that he remained in EFCC custody pending when bail was granted by the court.

When eventually the trial judge exercised discretion in his favour and granted Tafa bail, some conditions were imposed. One of these was that the sureties must have been invested with national honours not below Grand Commander of the Order of the Niger, GCON.

It turned out that the two sureties arranged for Tafa; do not have the requisite GCON, contrary to the claims by his lawyer. True, former IGPs Aliyu Attah and Mohammadu Gambo had been awarded GCON by the retreating regime of General Abdulsalami Abubakar in December 1998. However, President Olusegun Obasanjo thought something was terribly wrong with a selection process that saw all manners of people carting home nearly 800 national honours awards, the largest investiture ever, in a single year, and which number exceeded the combined total awards of nearly ten years.

The president subsequently announced the withdrawal of the 1998 awards. The late Chief Bola Ige as Attorney General and Minister of Justice signed Gazette No. 69 Vol. 87 that "*Retracted and declared for all intent and purposes, null and void and of no effect whatsoever,*" the 1998 National Awards as published in Gazette No. 75 Vol. 85.

Industries Transparency Initiative (EITI) put in place to bring our mining industry practice in line with international best practices. Landmark reforms are also being carried out by some other regulatory agencies and it is only when all of these are taken in totality, that one can really appreciate how far we have gone and how much farther we need to go on our collective journey towards the Nigeria

of our dreams, where corruption is but a faintly remembered milestone back in the distance.

#### Challenges at Home

Our journey to the Nigeria of our dream, the Nigeria freed from the vice grip of crooks, fraudsters and corrupt public officials has been fraught with potholes and booby traps. Some of the challenges

we have faced include:-

#### Public Scepticism

Nigerians are some of the world's greatest sceptics. If you push a Nigerian to the wall, he would climb it rather than turn around and fight. Our tolerance level of corruption is perhaps one of the highest anywhere. We not only tolerate, we justify corruption in this country and many of us aspire to be in such positions



*It is instructive that after they made the poisoning allegation and the Commission applied to the court to take Tafa from its custody, and transfer him to a 'more secure' prison or police facility, his lawyers did a 360 degrees and opposed the application, preferring that he remained in EFCC custody pending when bail was granted by the court.*

The next awards were issued in 2000. They were more or less a revised version of the cancelled awards. There were no GCONs awarded that year, and this time around, only Aliyu Attah made it to the honours list, but as a Commander of the Federal Republic, CFR. However, this information was denied the court by Tafa's lawyers in the attempt to make him evade answering for his alleged sins against the Nigerian people. That was not the end of the desperate manoeuvrings.

By the time Balogun appeared in court on Wednesday 29th June, 2005 and the judge ruled that the accused could go on bail; Tunji Abayomi, one of his lawyers led him away towards his car to leave the premises. It was admittedly a taunt the EFCC operatives would have done well to resist. As it turned out, they fell smack into the trap. They intervened, brushed off Abayomi's challenge (he had rushed at one of them and held him by the jugular), secured the prime accused, shepherded him into a car and made to take off. But someone had ordered the gates shut. One of the operatives sitting on one side of Tafa Balogun got out to open the gates. The former IG saw an opportunity in the open car door to make good his escape and dialogue he did, with his legs. But he had only managed to get just a foot on the ground just as the vehicle started to move again. Any one would lose his balance in that circumstance. He fell and decided to complete the melodrama by rolling under the vehicle (which by the way, immediately stopped when he fell), shouting.

The episode generated intense criticism, prompting Mallam Ribadu to tender an apology.

But the fact that he tried to jump out of the car should draw attention to the immediate reason why it was absolutely necessary to put Mr. Balogun in handcuffs the first day he appeared in court.

But that was hardly the end of the drama. By the time they got him back in the courtroom and Rotimi Jacobs, EFCC's lawyer had tendered an apology to the court, Balogun was granted leave to make something like an appeal. He managed not to faint through it. But as the former IG ended his speech, he 'slumped', and the sufficiently harassed judge had to let him go on self recognition.

Indeed, after his plea was taken upon arraignment before the Federal High Court, Abuja, trial could not commence as the competence of the court was challenged by Balogun's lawyers. This forced EFCC to review the charge by incorporating fresh charges. An unconscionable lull set in thereafter. And the case appeared doomed with all manner of hiccups contrived by the accused to delay trial.

But a sudden change of heart on the part of the accused person altered the trajectory of the trial. And at last, despite the initial grandstanding,



• Tafa, former IGP

Balogun owned up for his financial indiscretion in office, which underscores EFCC's mantra that nobody is above the law.

The ex-super cop was on November 22, 2005 sentenced to six months imprisonment by the Federal High Court, Abuja on the eight- count charge of refusal to cooperate with the Economic and Financial Crimes Commission, EFCC while he was being investigated for corruption and money laundering offences.

Though the six months jail term took into account the 67 days that the convict had spent in custody, life in jail was a new reality for the former number one law enforcement officer who, at the peak of his tenure as IGP maintained a larger- than-life image. But the sharp descent from fame to infamy is the epithet for an irresponsible life of fraud. Balogun inevitably booked his place in prison the moment he choose to be light-fingered by cornering for himself funds meant for the Nigeria Police.

From the cocktail of charges preferred against the former IGP (70 counts initially) which were eventually reduced to eight, he may have practically salted away over N17billion of police funds. The bulk of the money was siphoned through the seven companies which served as fronts for the former police boss. But Balogun vehemently denied ownership of the companies until November 22, 2005 when he enacted a grand summersault in his plea. The trial judge wasted no time in convicting him. And by the judgment of Justice Binta Murtala Nyako of the Federal High Court, Abuja Balogun is to return every kobo of the stolen funds in addition to forfeiture of assets including choice properties in Lagos and Abuja and equity holding in blue chip companies to the federal

government. In addition, he is to pay a fine of N4million to the federal government.

Yet, critics are of the view that the six months jail term is like a slap on the wrist especially against the background of Balogun's boast that he will bounce back. Perhaps. But what is most important is the fact that the former IGP has been convicted. Beyond that, the travails of Balogun are far from over. A 76-count charge of corruption and stealing is still hanging on his neck at the Abuja High Court.

In the weeks and months ahead he will be called upon to respond to these charges despite the protestations from his lawyer about a purported agreement with EFCC to drop all charges against him in return for pleading guilty. The commission has stated in unmistakable terms that no such agreement exists.

Should the court determine the case very soon, chances are that Balogun might be back in prison or, again as a special 'patient' in a palatial hospital room the way he cunningly 'served' his last prison term.

where we take a conscious decision to be corrupt as opposed to serving our nation faithfully. That is the foundation for the deep-rooted scepticism that greeted the anti-corruption war when it was launched and it is against that background that we can appreciate the justification of

corruption by journalists, lawyers, policemen, market women, students, public officers, religious leaders, just about everybody. That is why communities not only reserve and bestow recognition on fraudsters and crooks, they would query and socially ostracise any former public

official who had not narrowly defined public office to mean a God-given opportunity to favour himself, his family and friends at the expense of the Nigerian people.

This pervasive atmosphere of unhealthy non-belief, it must however be





noted, was bred by the fact that only half-hearted attempts were made in the past to tackle corruption and those who mouthed anti-corruption slogans in the past were found wanting when they took their own places on the scales of justice. Not too long ago, we had the case of a former chief law enforcement officer who threatened hail and brimstone on corrupt security officials and even made public show of dismissing policemen caught at roadblocks extorting the symptomatic N20 from hapless Nigerians, only for it to be discovered that his own pocket was lined with as much as N20billion stolen from the Nigerian people! And the man rather than apologise to Nigerians, looked them in the face and declared that he would “bounce back”!!!

We must acknowledge that **within the last three years, there has been a discernible shift in attitudes and perception of the Nigerian people with regards to issues of corruption, but a lot still needs to be done. We must all do more than pay lip service to the fight against corruption, to supporting the strengthening of institutions dedicated to the war against corruption,** rather than get hoodwinked by the antics and propaganda of known crooks and people of questionable character to discredit our collective efforts to rid our society once and for all of the scourge. We must go back in time and retrieve the value system of old that made us ask pertinent questions of, and ostracise any one living far above his/her means until he/she purged himself of the sin of corruption and abuse of public office.

#### **Constitutional Impediments**

Section 15 (5) of the 1999 Constitution makes it obligatory for the State to abolish corruption and abuse of power. One of the concrete measures taken by the State in the direction of fulfilment of that charge is the setting up of bodies such as the Code of Conduct Bureau, the ICPC and the EFCC. However, the hands of these bodies (especially those of the ICPC and EFCC) seem to have been tied by the same Constitution, which gives a blanket cover of immunity to a small group of public officers in whose offices are vested total control of the largest block of political and economic powers and can – indeed, most of them – utilize their awesome powers to the detriment of the generality of the populace.

At EFCC, we noticed this early, and started a campaign to either expunge or amend Section 308 of the Constitution, that confers immunity from criminal prosecution, on 74 Nigerians who literally have the power of life and death over the remaining 150million of us. We refused to simply fold our hands and resign

ourselves to fate. We therefore decided to use the matter of Governor Joshua Dariye of Plateau State as a test case. We took him to court, but the judge in his wisdom, ruled that the Governor was covered by immunity. EFCC has since appealed that decision and we hope the appellate court would give a more liberal interpretation of that section to make it possible for those presently unfairly covered by blanket immunity, to be prosecuted for criminal breaches of their oaths of office.

#### **Attempts to Politicise the War**

We have witnessed in the recent past, sustained attempts to politicise the war against corruption. When crooks know

they are being investigated, with the prospects of arrest, prosecution and jail staring them in the face, they quickly claim that they were being “persecuted” for their political beliefs. Some have even suggested that the anti-corruption war is only aimed at fulfilling a given political agenda. Nothing could be farther from the truth, at least, as far as EFCC is concerned. We have stated over and over again, that **we are not and cannot be involved in politics. Our business is law enforcement, pure and simple. And if any law is to be enforced properly, there should not be any regard given to extraneous considerations like those we normally use as prism to view all actions**

## The Alamieyeseigha Story

It may well go down as one of the most difficult if not controversial cases handled by the Economic and Financial Crimes Commission, EFCC. As a matter of fact, the case is still far from settled. What is at stake now, is the effective prosecution of the fugitive ex-governor who is standing trial before a Federal High Court in Lagos on charges of corruption and money laundering.

This is the reality as far as Chief Dieprieve Alamieyeseigha; impeached former governor of Bayelsa state is concerned. After weeks of grandstanding, following his surprise return to Nigeria from

London, the British capital where he was standing trial for alleged money laundering, and the consequent storm of protest and outrage that greeted his escape, Alamieyeseigha was finally booted out of office December 9 by members of the state House of Assembly. The lawmakers found merit in the cocktail of charges brought against him by the EFCC and removed the governor who has since been replaced by his deputy, Goodluck Jonathan.

His ouster is seen as victory for democracy and the rule of law. But it is not by any strand of the imagination a pyrrhic victory. Rather, it took enormous toil to arrive at this juncture, which is half way to the Promised Land.

For many years since he was sworn in as governor of Bayelsa state there had been a whiff of corruption swirling around him. But all that was discussed in whispers until September 15 when he was arrested at Heathrow Airport in London by the Metropolitan police allegedly for laundering over one million pound sterling. The arrest provided the perfect opportunity for the EFCC to release the dossier on the governor's corruptive acquisitions and, thus set the stage for the most important battle of his political career as he labored to extricate himself from the clutches of the Met. But for a while he appeared to be fighting a losing battle as the courts where he was arraigned set a very stringent bail condition that he could not immediately meet. However on October 14, the Southward Crown Court granted Alamieyeseigha bail, with Terry Waya, a London-based Nigerian businessman standing surety for him. The six conditions attached to the bail included the seizure of his international



• Alamieyeseigha



in Nigeria. The law and EFCC do not recognise tribe, religion, economic clout or political affiliations.

**The New Trick of Corrupt Public Officers**

Crooks will always be crooks and some Nigerians will always be gullible. So, in order to escape the wrath of the law, they try to distract attention and in so doing, attempt to discredit the war on corruption as a sectional or political thing. **The trick now employed by those with pasts they should be ashamed of, is to actively work towards getting mention a couple of times in newspapers criticising government. So that when EFCC investigates or arrests them or as happened recently in the case of one presidential hopeful, freeze the accounts through which they launder stolen money, they would immediately orchestrate the propaganda that they were being targeted for their political beliefs! Mark you, they usually provide little or no defence for themselves against the allegations stacked against them. Their only defence is either they are ‘anti-this’ or ‘pro-that.’ The real tragedy is that many Nigerians actually believe them!!** But EFCC is not bothered by that. For, as long as we are convinced that anyone has a case to answer, we will get him or her to come and provide such answer, his or her ‘pro-/anti-’ circumstance notwithstanding.

We succeeded in the past in remaining resolved not to be dragged down by petty considerations of ethnicity, religion and personal vendetta. If you recall, these were the three major platforms on which petty crooks, international fraudsters and dyed-in-the-wool corrupt politicians attempted to discredit the work of the Commission. This was after they found that EFCC was a different kind of law

enforcement agency that would not take bribes or succumb to threats in the discharge of its functions under the Establishment Act. So, after bribery and intimidation failed, they searched in their bags of tricks and pulled out ethnicity, religion and personal vendetta to advance their position that the war on corruption was anything but altruistic. Those have failed as well. The only platform that seems left for them now, is imputation of political motives into our actions or perceived inaction.

Even as we resist the underhand attempt by crooks to drag us into the political fray, EFCC is saddened by the fact that many people are not seeing through this ignoble attempt to trivialise an otherwise serious national engagement and that those who have never meant well for this country; those who have a past that reek of corruption and records of abuse of office are almost succeeding in pulling wool over the eyes of Nigerians, having remade themselves overnight as dubious champions of democracy and the rule of law!

**Challenge from Abroad**

We have perhaps the most stringent anti-money laundering legal framework and the toughest enforcement regime in

the world. But our efforts at home do not seem to receive the necessary complementary support in all parts of the world. It is an irony that the efforts we have made to tackle corruption and money laundering notwithstanding, Nigeria is still one of the two countries on the Financial Action Task Force (FATF) list of Non-Cooperative Countries and Territories (NCCTs).

Even beyond that, we find it particularly frustrating that **many countries that have been certified compliant by FATF, the global anti-money laundering watchdog, are still safe havens for the stashing of looted funds from Nigeria.** We have expended so much resource and spent so many years trying to convince other jurisdictions to return funds looted by unscrupulous Nigerian public officers. Our efforts have only yielded little fruits. Where they have been compelled to release tiny fractions of the loot, they attach such stringent conditions that make one begin to wonder whose money it really was in the first place.

If only other jurisdictions did due diligence to know the status of the persons bringing funds into their economy, crosschecked with us in Nigeria and attached stringent preconditions to accepting those funds, the war on

“ *Corruption is the reason why institutions do not work; it is the reason why social infrastructure are non-existent or dilapidated; it is the reason why values are upside-down; it is the reason for military coups and political shenanigans; it was the reason Nigeria was on the brink of total collapse, until the administration of President Obasanjo came in 1999* ”

passport and restriction to a three-mile radius of any port or airport. But in spite of these conditions, Alamiyeseigha slipped out of the UK and surfaced in Yenagoa, Bayelsa State to the embrace of his supporters and hangers on.

By opting to jump bail, Alamiyeseigha had taken the path already traveled by his colleague and compatriot. Mr. Joshua Dariye, governor of Plateau State. Dariye had similarly jumped bail in London in 2003 only to return to Jos, the state capital to continue to rule the state, claiming immunity from prosecution. Attempt by EFCC to bring him to trial failed with the court upholding the governor's immunity from prosecution.

Alamiyeseigha clearly expected a repeat of this scenario, believing that his constitutional immunity guaranteed him a safe haven in Nigeria.

But as events subsequently proved, he was mistaken. The mood of the nation especially the people of Bayelsa State had shifted considerably from shock to anger by accounts of the governor's alleged thievery. Worse still, the manner of his escape from UK was considered as grave source of national embarrassment. This and the determination by the nation to prove that there is no oxygen tent for

criminals of all hue in Nigeria, combined to work against the governor.

Of course there is no way the Alamiyeseigha story could be complete without mention of the role played members of the state House of Assembly who, for once, shunned pressures to ignore the governor's transgression by not only investigating the charges against Alamiyeseigha but doing so in a record time. Even the last ditch attempt by the governor to infiltrate the ranks of the lawmakers and cause disaffection among them failed. From November 21 when the ex-governor slipped into Nigeria to December 9 when he was impeached, it took 18 days to resolve the Alamiyeseigha issue, albeit temporarily. Even this is a record.

The impeachment of the former governor cleared the major hurdle to his effective prosecution having now been stripped of the immunity which he hitherto enjoyed. He now faces a posse of money laundering charges before the Federal High Court in Lagos, alongside the companies that helped him to siphoning funds belonging to the Bayelsa State Govt.

As it is now, the chicken may have finally come to roost.



corruption would have received the most significant boost from abroad. We therefore call on the relevant bodies of the United Nations not only to criminalize the receipt of illicit funds looted from developing countries, but to go ahead to enforce sanctions on such receivers of stolen funds in the Middle East, Europe and the Americas. Such sanctions may include but not limited to blacklisting such countries, visiting on them global economic isolation, suspension and even expulsion from the world body, because they are not fit to be part of a civilised global community.

In the past, a variety of tough sanction regimes have been visited on States that engage in or aid terrorism as defined by the West. But, **if stealing food from the mouths of millions of malnourished children; if encouraging forced child labour and child prostitution; if depriving millions of pregnant women access to basic medical facilities and if ensuring the decapitation of local industries for want of basic socio-economic infrastructure – electricity, good road network, water, housing and so on, do not fall within the definition scope of terrorism, then we had all better go back to school!**

The difference between these unwholesome acts and the ones classically defined as terrorism is that one set is visited on foreigners and an attack in one fell swoop may claim a few thousand lives, while the other kind of terrorism is indeed, far more insidious, claiming millions of lives by stealth, and on occasions, tens of hundreds in single, not-too-far-strung human engineered cataclysms. These are some of the ills of corruption unscrupulous public officials in connivance with foreigners visit on our people when they loot the public treasury and take the money out.

**Since the demonstration of President Obasanjo's determination to tackle corruption, we have started to see some change of attitude of many countries towards Nigeria and Nigerians. Our nationals can today travel anywhere and proudly show the green passport at points of**

**immigration. We have literally forced the world to take notice. They saw that internally, it is no longer business as usual and once they knew that corrupt public officers, no matter how high were being brought to justice, they themselves adjusted their perceptions and some of them without prompting, took action to safeguard and sanitize their own business and investment environments.**

Today, many of public officers with stolen wealth in some European countries have given up hope of ever benefiting from such looted funds and investments, because those countries having with our assistance, identified the deposits or investment as illicit, took steps to quietly repatriate such looted funds back to Nigeria and we are collaborating with their law enforcement agencies to bring such shameless Nigerians to book. No one needs to be reminded about the role of the British government and the London Metropolitan Police in some of the landmark cases EFCC is pursuing today.

**There are several more of such cases in the offing and when EFCC starts with the next round of criminal proceedings against many of the crooks parading the corridors of power and those seated in the engine rooms of our economy, Nigeria will not be the same again. Many corrupt government officials using various covers and proxies, in anticipation of what EFCC would do next have started making panicky arrangements to move their funds to places they consider safer havens. But, they have only shown by that, a very poor understanding of how the Commission works and the new resolve of the government and people of Nigeria to deal the deathblow to corruption. When it is time, the chicken will definitely come to roost.**

# Simple Things to Do About Corruption

■ Bolaji Aluko ■

## As a general move, we should:

- Pass the Freedom of Information Bill;
- Pass the Whistle-Blower's Bill;
- Strengthen all the laws that were used to establish the ICPC and the EFCC so that they are not weakened by corrupt politicians and fraudsters.

## For elected public officials, we should:

- focus on the executives at the National, State and Local Government levels;
- enable public access to their declared assets, sanctioning officials that do not declare their assets at all or make false declaration;
- require independent, professional and regular audits of all LG, state and federal accounts, and make same available to the public;
- abrogate or seriously amend the immunity clause in Section 308 of the Constitution that benefit the President, the Vice-President, the 36 governors and 36 deputy-governors. If amended, Section 308 should allow:

(i) the Police, the ICPC and the EFCC to pursue CRIMINAL charges against the executive officials;

(ii) the Senate to investigate civil charges against the President and Vice President, after a grand jury of three Appeals Court judges has determined that there is a *prima facie* case against them that is urgent; and

(iii) the State Houses of Assembly to investigate civil charges against the governors and their deputies; after a grand jury of three High Court judges has determined that there is a *prima facie* case against them that is urgent;

## For Unelected Public Officials, we Should:

- speedily prosecute all persons not protected by

Section 308 who aid and abet immunized officials in financial crimes and other types of corruption;

- focus on ridding the Police Force and Judiciary of corruption. These two arms are the most public faces of dispensing justice in the land and can least afford the scourge of being corrupted;

- observe zero-tolerance for bribery by the Police on our highways, including use of sting operations;

- observe zero-tolerance for bribery by judges and putting in place a system that immediately disbars and remove from the bench any judicial officer found to have been compromised.

## For private sector officials, we should:

- focus on ridding the banks and other financial houses of corrupt practices;

- institute and maintain zero-tolerance for money-laundering: sanctions could for example DOUBLE the amounts laundered, including closing banks down for egregious violations;

- observe zero-tolerance for foreign-exchange round-tripping; fines should double the amount round-tripped.

## For the citizenry at large, we should:

- focus on eliminating 419, making it a "special economic crime against the state";

- use a central registry of phones and faxes supplied on the 419 letters to SHUT down the phone numbers IMMEDIATELY;

- Immediate shut down of cyber cafes involved in 419 scams

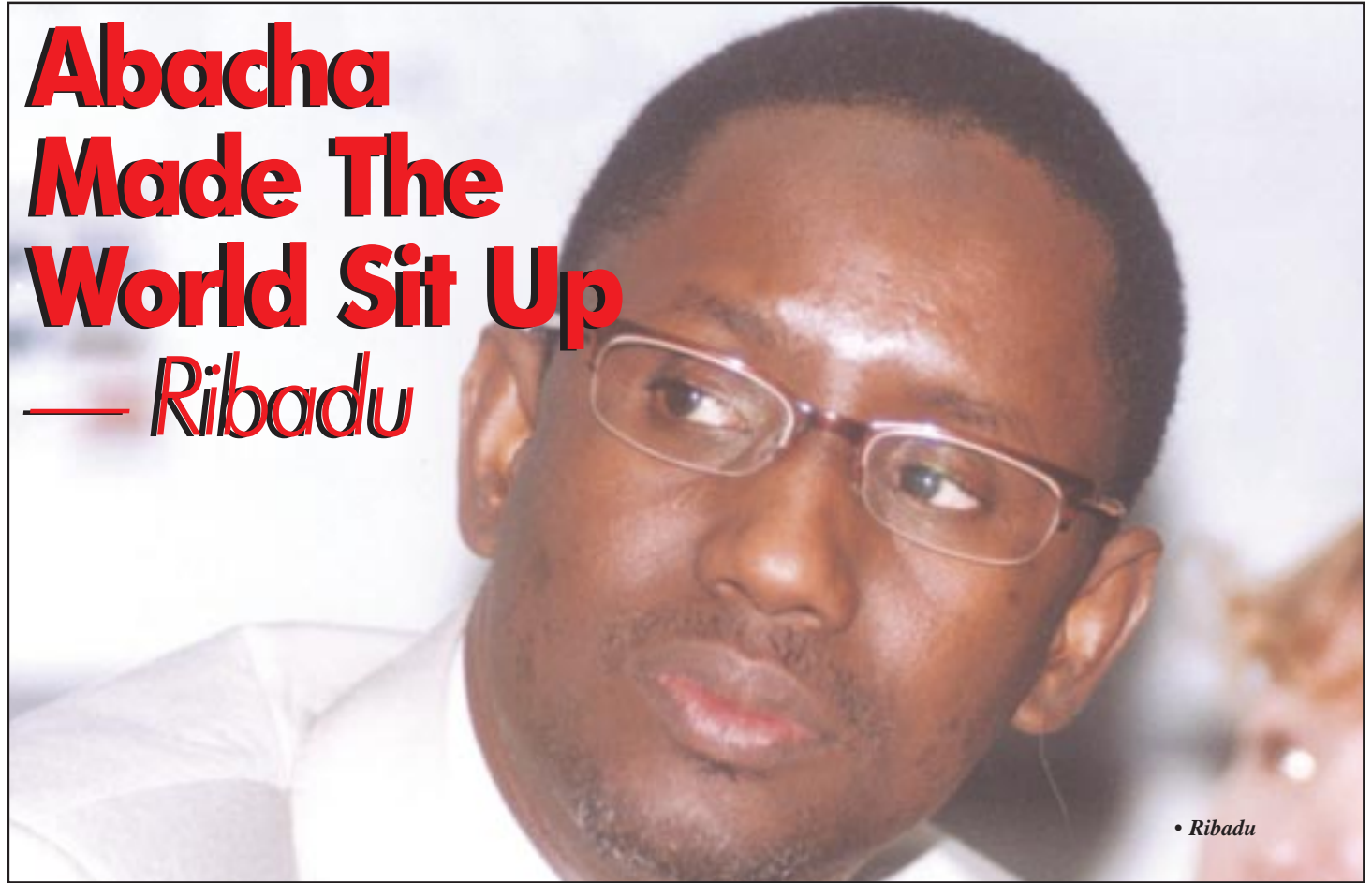
- use of sting operations to arrest and SUMMARILY jail caught miscreants.

- *Aluko, is a Professor at Howard University, Washington DC, USA.*



# Abacha Made The World Sit Up

— Ribadu



• Ribadu

**Q:** *Nigeria apparently has one of the strongest anti-money laundering laws in Africa, and we keep on modifying it, trying to make it better, more stringent, we've been securing convictions and so on. But the country has still not been de-listed by the Financial Action Task Force (FATF) from the group of non-cooperative countries and territories. Why do you think this is so?*

Well I honestly think the problem is as a result of what happened before. It is a carry over effect. When FATF wanted to talk to Nigeria, when they tried to engage us as far back as 2000-2001, somehow they did not get response and they continued until they had to blacklist us as a non co-operative country and the moment you are on that list, the process of getting you out is always very stringent and very slow. Even though we eventually got engaged with them and indeed we went ahead to institute the most stringent anti-money laundering regime, including the establishment of EFCC and then the subsequent work we have done, it is taking a while for them to be convinced.

I think we have done more than any

country not just in Africa but all over the world. Today Nigeria is an example of a country that is in full practice of its anti-money laundering laws. We have well established structures on ground; we have strong reporting system of suspicious transaction taking place in our finance sector. We are prosecuting and indeed getting convictions. Nigeria is the only country with Financial Intelligence Unit (FIU) in the whole West African sub region. We have one of the only three in the whole of Africa; we are the only country with a very strong money laundering law; we are the only country that has this strong enforcement regime, we are the only country that is really convicting people for anti-money laundering and such cases are very big, open, transparent cases, yet ironically we seem to be the only country bearing the brunt of 'non-cooperation'.

Again, part of the problem I think, is that the wrong people were talking to them for a very long time. Those who were directly responsible for enforcing the anti-money laundering laws did not have the chance to talk to them directly, but all that is changing now. Hopefully we will get to a stage where they will physically come here and have a feel of what is going on in Nigeria. It is unfortunate, but maybe we

are paying for the misdeeds of the past.

**Q:** *On another level, the Transparency International perception index, which is based on what a few businessmen around the world think of the country, does not give us yet the most favourable rating. Are we making adequate impact out there at the international level?*

I think we are making adequate impact out there. It is not easy to change perception overnight. It takes time for it to be formed and it will take a while for it to change. Especially when it comes to the issue of change of attitude and behaviour, the world will want to see if it is something that is going to be sustained. They would ask themselves if what we are doing now is just to show off or if it is for real.

The negative perception of Nigerians took a long time to form, it will take a while for it to be completely erased, and it will require lots of work and a lot of seriousness. I think the main thing is as long as you are doing what is right, people will see it and people will take note. The changes that Transparency International has been noticing about Nigeria is being gradually reflected in their reports, even though we cannot be proud of the category we have been placed. It is not something we are pleased with, but



you can clearly see that there is an improvement. We have moved upward, we have jumped about four or so places in the last perception index and even more important, in the report they made on the country, they said that there is clear improvement in Nigeria, that we are doing what is needed for us to clean ourselves.

We are fighting corruption and we have successfully established transparency and accountability. Now all what we need to do is to continue to go along that straight path. There is no shortcut to where we want to be and there is no fast tracking the process. It will need work, it will need seriousness and it will need sustainability. We may talk a lot of grammar, say that they are not fair to us and so on, I don't agree with that at all. If we do what is right the world will look at us differently. Any other way will not work. For example, 419 has done terrible damage to our country's image – destroyed our credibility, destroyed the trust of the world in us. What we are trying to do is to fight these people, bring them to justice and then we seize the proceeds of their criminal activity and return them to the victims. We are telling the world that such people will not have protection in Nigeria. It is going to help us greatly in throwing off this ugly perception that has been hanging round our necks. We are also establishing due process in our way of doing business, we are going by the rules, we are opening up

government, and we are establishing transparency and accountability. All these are really going to help greatly the way the world looks at us. We are fighting the vices of corruption, money laundering, and the use of Nigeria as a safe haven for economic crimes.

*Q: We know that certain professionals – accountants, lawyers and the rest actually help in money laundering activities. Now we are trying to take care of our own immediate environment what is happening to the professionals outside who use their professional knowledge and skills to assist acts of criminality in Nigeria.*

Well first of all at home we have a new anti-money laundering law that places responsibilities on these professionals. They must practice according to the rules and regulation. They must also be part of these efforts to stem economic and financial crimes. They must be accountable; they are required to make reports in respect of suspicious transactions that come their way in the course of their practice. That is what the law says and we have been engaging them and educating them on this requirement of the law and at the same time we are also going out after them. We have a couple of accountants that are being investigated. We are investigating insurance brokers, in addition to, like I said earlier, ensuring that we enforce the laws strictly.

Things have changed the world over. There is now greater insistence for professionals all over the world to be accountable for their activities. The case of (the late Nigerian Head of State) Sani Abacha changed the world finance sector. As a result of the established cases of looting, banks all over the world were for the first time mandated to be reporting their customers.

It was as a result of the discovery of the financial crimes of Abacha that the Know-Your-Customer (KYC) principle of financial transactions came to be strictly applied all over the world. By that, banks are required to pay serious attention to 'politically exposed' persons. If you are a politically exposed person in any jurisdiction, banks all over the world are required to take extra caution in their dealings with you and through that we are already beginning to experience a change. We see it in the level of cooperation we are getting around the world in the cases we are investigating. Of course we go through the law enforcement agencies in the different jurisdictions we are talking about. If for instance we need information from an accountant in the UK, we would talk to the Metropolitan Police who makes him to understand that he is going to be liable in the event that he is knowingly lending his skill, expertise and services in aid of perpetrating economic and financial crimes, including corruption and theft.

We have good working relationship with all other law enforcement agencies and through them we will be able to go after such professionals who help to steal, or help to hide stolen money. So I will say there is an improvement and it is quite encouraging and it will keep getting better as we move along.

*Q: There are indications that money launderers are shifting from traditional 'safe havens' in Europe and the Americas. Where are the preferred places for stashing looted funds now?*

Yes, it is true they are shifting. It is always like that when you turn the heat on criminals. Take the example of 419ers, when the heat became too much on them here in Nigeria they ran to other sanctuaries. But we are still going after them. Our resolve is strong and we are bent on going after them wherever they are. The world is becoming a global village now. If there is anywhere anything is hidden, chances are that somebody will go after it and open it up. Those who stole money before in this country, taking it to the remotest Islands in South-East Asia, the Middle East, China and so on, we have the records. Now, you cannot move one penny from one point to another without leaving traces behind. You must do it through banks and other financial institutions. You are not likely to move large sums of money in cash from



Late Gen. Sanni Abacha

*“It was as a result of the discovery of the financial crimes of Abacha that the Know-Your-Customer (KYC) principle of financial transactions came to be strictly applied all over the world”*



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*We know those who are taking money to Kenya; we know those that have stolen money and are taking it to Yemen, South Africa, China, and so on. And we are definitely going after them*  
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one jurisdiction to another. If you do, you will be caught at the airport, and you will get into a bigger problem.

The point is, no matter how far they run from one point to the other, there is no hiding place any more. We know those who are taking money to Kenya; we know those that have stolen money and are taking it to Yemen, South Africa, China, and so on. We have the capacity to and are definitely going after them.

*Q: Are we doing anything by way of assistance to other countries in Africa that do not have stringent anti-money laundering regimes like Nigeria, where some of the criminals now run to, to build and maintain institutions similar to EFCC, so that the West African sub-region at least is made a no-go area for fraudsters and money launderers?*

Yes, of course. First and foremost, you know our role in the West Africa sub region. You know about the GIABA initiative which we played the biggest role to establish. Though they function from Senegal and are now part and parcel of the ECOWAS secretariat, Nigeria was the prime mover for the establishment of GIABA. It is a Nigerian that is heading that organisation and it is through it that we are bringing all other countries to join the war on money laundering and other cross-border economic and financial crime activities. So, we have been working and helping others to come up with strong anti-money laundering laws, to come up with strong enforcement regimes, to share

information, work together.

We have been working very well with the law enforcement agencies in Ghana, Togo, Benin Republic, and Niger. We have a very good history of working together and that is what is helping Nigeria. Through GIABA, we are daily improving our working relations with all of them and we have had series of conferences through which we share knowledge and information and tell them about what we do here and how we are going about things in Nigeria.

We are also working with some of them to set up systems similar to our own in their own countries. And our suggestions and assistance are being received very well.

Today, a couple of countries in West Africa are about to pass strong anti-money laundering laws. So, if we put pressure on the criminals here in Nigeria we will not expect that if they move for example to Ghana, the law enforcement agencies there will take them in. No, that place will not be a safe haven for them. But to make that possible, all of us would have to work together. But more important to us Nigerians, is to ensure that our own country should not be a safe haven for those who involve in theft, corruption and other forms of economic and financial crimes.

*Q: Nigerians have expectations that the Commission should be everywhere and do all things. They usually point to so many matters which they say we should have handled but have not. How do you handle this burden of expectation?*

The expectations are legitimate and understandable. People's expectations are high partly because we are seen as performing, so they feel we can do a lot more. That is okay, but the people should understand that EFCC is a new organisation and we cannot do everything. Even at that, today we have over 300 criminal cases in our courts, more than all the other law enforcement agencies put together. Today we have close to 60 convictions and we have handled very big cases.

Some of the matters people insist we to look into happened long before EFCC was established in 2003. We would look at some of them and we are already investigating a fair number of such cases. But, people are stealing right now, right under our noses and we are seeing them. I will go after those kinds of people first.

Again, there were agencies existing then, when those crimes were committed and I think Nigerians should legitimately ask questions of such organisations. We cannot bite more than we can chew, but that does not necessarily mean that we will completely forget such matters. If there are very strong, compelling cases of what happened in the past that require our attention we will do it, it is a matter of time. Already we have handled a couple of them, so the issue is not about not doing or taking such cases serious or not, but that we were never there when they happened. But if something happened in the past and we are capable of assembling strong evidence that we can go to court with, of course we would take up the case.

We are not a very big organisation and we do not intend to be very big for us to be able to maintain quality of service. So, there is a limit to what we can handle. Other agencies are there, and if we all do what we are supposed to do when we are supposed to do it, then collectively we can combat crime in Nigeria. Unfortunately, I cannot talk on the behalf of all the others.



President Olusegun Obasanjo



# Reconstructing Nation Building In Nigeria

■ By Emmanuel Akomaye ■

**B**uilding nations, including modern states is usually shaped by a combination of circumstances or extraordinary personalities or indeed, both. In those cases where circumstances are completely unfavourable, strong personalities combining superior intelligence, discipline and ingenuity would be needed to shape events. In others with favourable circumstances, institutions evolve gradually with the maturation of the modern state. Here, a moderately strong willed leader with determination and discipline to harness the favourable circumstances and resources is all that is needed to propel the nation to the first world.

Nigeria is a country in the category with favourable circumstances. Strategically located south west of the Atlantic ocean, wonderful vegetation, blessed with substantial natural resources and an intimidating population of over 130 million people will, in all estimation be said to be a naturally blessed country. Unfortunately, leaders in the past have not taken advantage of these favourable circumstances. And so, her condition degenerated.

Until recently, the statistics pointed to a regressive development. Even then, there is little to cheer for now in spite of the promising signs. In 2005, the per capital income was USD650. When compared to Angola's USD1,550 and South Africa's USD4,830 you would see that there is still much to be done.

However, there is a bright light at the tunnel. President Obasanjo has set in motion a process of effective harnessing of the vast natural resources for nation building. Even more importantly, he has put his strong character in the whole process.

One deficient approach in our past attempts at nation building was the neglect of the human person in the whole process. The consequences have been that we have been attempting to build a country with a vast majority of Nigerians not believing in the country itself. There is therefore urgent need to begin to concretely develop 'true' Nigerians, Nigerians who believe in the

country and not in their tribes, Nigerians whose patriotism is unquestionable, Nigerians who feel secured to live and work in any part of the country of their choice, Nigerians whose choice to serve in public office will not be actuated by greed or avarice, Nigerians whose obedience and adherence to the Rule of Law and the Constitution will be without prodding or prompting.

It is gratifying that President Olusegun Obasanjo has set the stage by frontally confronting corruption. The fight will be better sustained if Nigerians by themselves will begin to oppose any conduct that is reprehensible and unacceptable and not to be complacent. The desired leadership that was in the past lacking has now been provided.

This leadership must be replicated at the ward, local, state and indeed at all levels of national life. At the EFCC, it has been demonstrated that leadership is key to our moving forward as a nation. In less than three years, the Ribadu leadership at the EFCC has changed the face of crime fighting in Nigeria using substantially the same discredited Nigerian Police Force. Never in the history of our country has top administrative officials been so humbled to act transparently. One does not pretend that things are now perfect. Nevertheless, there is every evidence that public officials are now more alive to their

*“ Never in the history of our country has top administrative officials been so humbled to act transparently. One does not pretend that things are now perfect. Nevertheless, there is every evidence that public officials are now more alive to their responsibilities ”*

responsibilities. EFCC is playing the watchdog and they know that it will bark and indeed bite when the need arises. It is hoped that a time will come when Nigerians, particularly public servants, will on their own accord, without a watchdog, do things right.

The foundation of the road to that expected eldorado is being laid by this Government. As we approach the period when the suffrages of Nigerians will again be called to choose their leaders, I urge that only those persons with the right mix of discipline, professionalism, courage, determination, commitment, character, ability and good interpersonal skills should be put forward. This Government owes Nigerians this legacy in order to sustain the good systems of government being presently instituted. As Prime Minister Lee Kuan Yew of Singapore puts it,

*“My experience of developments in Asia has led me to conclude that we need good men to have good Government. However good the system of government, bad leaders will bring harm to their people. On the other hand, I have seen several societies well governed inspite of poor systems of government, because good, strong leaders were in charge”*

•Akomaye is Secretary to the Commission.



# Catching the Tax Dodger

By Emeka Ifezulike

once had an encounter with a very senior citizen of Nigeria operating in the private sector over his obligation to pay both his personal income tax and his company's income tax. This well-heeled and prominent senior citizen declared in a contemptuous voice that he was "a conscientious objector to payment of any form of taxes in Nigeria". He went on to reel out a plethora of reasons summarized by the failure of government to provide basic infrastructure like roads, power, medical facilities and social security. We debated over such issues like the chicken and the egg - which comes first; a citizen's obligations and rights in a nation and the over-riding principles of the rule of law in any civilized society. I came off ruing over the difficulties of tax collection and administration in Nigeria and opportunities wasted as a result of our over-reliance on oil.

The story is also told of a top military officer who described Nigeria's wealth as a bag of salt, which no ruler, no matter how wasteful could exhaust. The mindset of most Nigerians was "let me just have my share of the cake" wherever and however it comes about. Economic history however teaches us that the wealth of nations generates by the creation of abundance. Tax and other revenue which citizens are obligated to contribute to the nation create abundance. That gives everybody a stake in the national project. This is unfortunately a far cry from the reality in our beloved country.

The contribution of taxes (Companies Income Tax, Personal Income Tax, Customs Duty, Petroleum Profit Tax and Value Added Tax) to the GDP



is abysmal. The level of corruption in this area is mind-boggling. Criminality in the revenue collection function (tax and custom duty) has moved from the habitual state to the cultural state. The systemic rot is colossal. Administrative corruption whereby taxpayers and collectors collude to avoid the payment of legal tax liabilities to the government has become institutionalized. In the area of Customs one often hears of 'physical smuggling' and 'administrative smuggling'. The former is a situation wherein the importer simply avoids dealing with the custom officer. The latter (much more prevalent) is a situation wherein the importer and the customs collude to avoid the payment of legal tax liabilities.

In Nigeria, Administrative corruption in the tax system arises because in order to determine a taxpayer's correct tax liability, government has delegated authority to officials of the Federal Inland Revenue Service (FIRS) or the State Boards of Internal Revenue (SBIR) who have the ability to obtain the information necessary to make this determination. Government however does not have effective machinery to monitor the tax officials. Sometimes in desperation, government has had to engage the services of commissioned agents (also known as tax consultants) in a bid to meet revenue targets.

Accounting and bookkeeping standards are also very low. Customs officers are for example required to determine the classification and value of imported goods. Administrative corruption manifests when for example the customs official misclassify imports into lower rates or less restricted categories or they undervalue shipments by understating their volumes or their market values. They allow goods to be removed from customs warehouses without proper custom entries and hence without payment of duties. Similarly, tax officials agree to overlook certain sources of income or permit overstatement of various costs associated with the income. In return for such she-

nanigans and manipulations the tax officials often receive massive bribes from the taxpayers. The sum effect is the considerable underpayment of taxes. Tax officials, despite low profile incomes, are able to accumulate significant wealth while in office, and some unemployed Nigerians are often willing to make sizable side payments to secure employment in the FIRS or the Nigerian Customs Service.

It is shocking and surprising that prosecution of corrupt revenue agents is rare and penalties seldom go beyond dismissal from office. Amongst professionals in Accounting and Taxation there is so much theory and confusing talk about tax avoidance and tax evasion. The simple truth is that tax default is tax default and defaulters should be duly prosecuted. But, the unfortunate tale of our system is that hardly anybody has been prosecuted for tax evasion.

The next level of crime in the Nigerian tax system came about as a result of efforts by the various agencies of government to make revenue collection more efficient. Banks were selected based on set criteria to serve as revenue collection organs. Taxpayers were expected to make their tax payments direct to these banks, which in turn remitted such payments to the accounts of the tax authorities. Government also introduced what is commonly known as with-holding tax law, which made it mandatory for certain transactions (contracts and services) to be subjected to a percentage deduction by the contract-awarding organisation and paid over to the tax authority. This arrangement set the stage for persons who do not pay taxes to now steal the taxes paid by the few Nigerians compelled to pay taxes directly or indirectly.

The scenario created a ferocious dynamic of criminal creativity. The following tax scams quickly emerged spawning not a few criminal billionaires and short-changing the government:-

- Use of Fake Documents to Claim Tax Credit:



Ifueko Omoigui, Executive Chairman, Federal Inland Revenue Service.





This is done through the use of fake credit notes, especially for with-holding tax, to claim undeserved credit.

**• Suppression and Conversion of Tax Cheques**

Tax cheques are often deliberately cleared through accounts other than those meant for the purpose, with the ulterior motive of suppressing or illegally trading with the proceeds which are then cleared into private accounts.

**• Cloning**

This is the act of creating a replica of a genuine tax cheque with another beneficiary's name. This cheque is then lodged into the fraudster's account or his nominated account. When the forged cheque gets to clearing it is switched with a real but stolen tax cheque and the proceeds go to the fraudster. This is done with the aid of accomplices in the banks.

**• Round Tripping**

Tax cheques are collected and kept for a period of time by a bank. The bank then issues its own cheque for equivalent amount and gives it back to the tax paying organization to repeat the cycle with another bank.

**• Laundering**

Fraudsters collect cheques from taxpayers with fake identity. They sell the cheques to the banks, which trade with the proceeds before remittance and in some cases outright conversion to personal

account.

**• Cross Carpeting:**

Officers of bank "A" collect tax cheque from taxpayers and place the cheques with bank "B" for a fee.

**EFCC Intervention**

At inception the Economic and Financial Crimes Commission (EFCC) was deluged with a plethora of petitions accusing a number of banks and individuals of massive tax scams, especially the diversion of FIRS cheques into private accounts. Mallam Nuhu Ribadu, EFCC Chairman responded quickly with the inauguration of a committee made up of representatives of the FIRS, CBN, Private Sector Tax Practitioners, and the Legal and Operations arm of the EFCC. The Committee immediately swung to action, establishing the scam patterns described above. Some of the prominent scammers were arrested and prosecuted and recoveries amounting to billions of Naira (see schedule 1 below) were made and returned directly to the FIRS or other government agencies.

The work of the Committee has had the required effect of drastically reducing tax revenue-related scams within the banking industry. The Committee initiated a joint exercise with the FIRS, Revenue Allocation Board and the EFCC, that reconciled Withholding Tax and VAT remittances from States and Local governments throughout the Fed-



**• Dr. Ngozi Okonjo-Iweala, Finance Minister**

eration. This exercise realised over 6.5 billion naira in taxes, which were paid into the Federal government coffers.

*Continued on page 30*

# The ABZ-Chevron Controversy

**A**t this stage it is important that we focus on the ABZ/CHEVRON story - a matter that generated substantial public interest, to enable the public have a better understanding of what really happened.

Messrs ABZ Integrated was introduced to the Committee on Government Revenue Fraud sometime in December 2003. The firm claimed they had gathered a lot of information and data to show that most of the oil companies in Nigeria were evading taxes and generally defrauding the government of Nigeria. Because activities in the oil and gas sector in Nigeria had for a long time been rather opaque and closed against non-initiates, these allegations could not be overlooked. It is also important to note that the EFCC has always been eager to welcome every Nigerian who wanted to join the war against corruption. This was the environment in which ABZ was warmly welcomed and on the company's insistence, given a formal letter of appointment as consultants to the Commission. Even in so doing, the Commission was mindful of the fact that it does not retain any portion of recoveries made in the fight against economic and financial crimes. The Commission therefore clearly stated in the letter to ABZ, that it could only "make a case" to government for a compensation to be paid the company, if a recovery was made as a result of the efforts of ABZ.

Mr. Fidelis Uzonwanne MD/CEO of the firm started attending the Committee's meetings in April 2004. He started by making several weighty allegations against Chevron Oil. The Committee was quick to

observe however, a tendency by Mr. Uzonwanne to be verbose, imprecise and lacking in appreciation of the basic rules of forensic evidence. The Committee therefore decided to be item-specific in the analysis and processing of the allegations. Data collection was slow and tedious because some of the allegations dated as far back as 1995.

Documents and submissions were obtained from Chevron, FIRS, CBN and DPR. The Committee performed the examination of these documents with proficiency and due professional care. Every effort was made to be curious but persistent, objective, painstaking and professional. Set out below is a list of the allegations against Chevron and what was done about each.

1. The first allegation was that tax was evaded by Chevron Nigeria Ltd. in the sum of \$26,358,195 for Petroleum Profit Tax (PPT), representing the 13th instalment for 1997 based on FIRS assessment No. PPTBA 12 of 9th June 1998. The Committee after investigation discovered that the PPT payment was actually made in July 1998 but was wrongly classified as Royalty by the CBN funds office. This type of classification errors featured a lot and has resulted in a regular reconciliation meeting between the CBN Funds Office, PPT Section of FIRS and DPR.

2. The second set of allegations brought by ABZ was reviewed in a meeting held at the EFCC premises on 13th and 14th of July 2004 with FIRS, Chevron and DPR in attendance. At this meeting most of the allegations raised were reconciled and resolved immediately. The unresolved issues during the meeting concerned wrong application of reserve addition bonus by Chevron. This was a dispute for which FIRS is already in Court with the oil

company. Other allegations about non-payment of royalties were found to be false from our analysis of the submissions of DPR. FIRS cleared the issue of revision of estimates beyond the accounting period as the existing industry practice.

3. ABZ Ltd made a third allegation on the 4th of August 2004, where the non-payment of the 13th instalment of 2001 Petroleum Profit Tax of \$6,516,643 featured along with other allegations. This amount represented an undisputed sum in an assessment of about \$24 million, which Chevron had legitimately objected to as allowed under Nigerian tax laws. The Committee resolved that the undisputed element of the assessment be paid and instructed Chevron to pay while it awaited the FIRS decision on its objection. The instruction of the Committee was honoured and the total sum of \$6,516,643.00 was paid in September 2004. The Committee in subsequent meetings cleared other issues raised.

4. On 12th October 2004, ABZ submitted another set of allegations against Chevron bordering on operational cost inflation, tax credits and other tax offset. The Committee had only one investigative session with officials of Chevron on this. The Committee was also mindful of the fact that allegations of cost inflation for a company operating in the highly technical oil and gas sector was beyond its technical competence to verify and had resolved to seek the assistance of independent technical experts.

It had become apparent at this stage that ABZ had a primary agenda of earning a commission through this exercise and therefore targeted the payment of \$6.5 million made by

*Continued on page 30*



# We're Cleaning Up the Solid Minerals Sector — Ezekwesili



*When you were in the presidency, you were known as Madam Due Process, but would you say you managed to entrench the 'due*

*process' way of doing government contract and procurement in Nigeria, before your appointment to your new position as Minister?*

Well, you know any reform program does take a while for any one to lay any claim to the entrenchment of such a program. However in the case of what they say at the due process office, at least at the federal level, what we have observed is that the former ways of doing government contract have simply gone, not to come back again, even though am no longer the head of that unit. And, the reason is simple: we did not run a system that was based on individuals. We ensured that transparent rules governed public procurement, rules known to everyone. and because the due process was not about individual discretion in decision making but basically about seeing that rules that govern public procurement will be observed in each procurement of government by the entity responsible for it, it is so easy for us having set these rules and having systematized the

procedures for basically validating whether these rules have been complied with, we injected into the system a team of highly competent people, people well educated in the field of procurement. Once you have a competent team of people with the requisite integrity and the technocratic knowledge working to validate adherence to clear and transparent rules of the game, it becomes a system. Once something is in the system, it is difficult for the system to be changed and so you can say the culture of the due process is something that is getting more and more ingrained within the public sector at the Federal level because clearly you cannot move forward with a contract process if you have not successfully complied with the due process rules of the game.

*Q: You are also linked to the Extractive Industries Transparency Initiative what is it all about?*

The Nigerian Extractive Industry Transparency Initiative (NEITI) is really an initiative that aims to bring transparency to the activities of the extracting industries in Nigeria and when you talk extractive industries in Nigeria or any other country as the case may be, you are talking about activities in the oil and gas sector as well as the mining sector.

In Nigeria at the moment, we really don't have mining activity going on so there is not much to do there, with NEITI. But when private sector investors begin to take serious interest in doing all kinds of mining activities, then they will begin to pay royalty and taxes to government and so they will immediately answer to the dictates of the NEITI legislation.

As for the oil and gas sector, which has more than three decades of serious investment activities behind it, the NEITI aims at opening up that sector to public scrutiny: what is the revenue being generated by that sector; who are the people paying this revenue; is the revenue being properly accounted for; do what the oil companies pay to government tally with government records; are there discrepancies?

However, it will not just be about the revenue flow. NEITI will also look at for instance, what volumes of hydrocarbons are being produced; how much of this is used domestically, how much is being exported; are there possibilities that there are losses being sustained? In addition, these losses that are happening are they as a result of theft or are they mere technical losses? From all these, we

*Continued on page 33*



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# Help from Without:

## International Cooperation in the Fight against Economic and Financial Crimes

Juliet Ume-Ezeoke

**T**he essence of international cooperation between nations is well documented and has now been translated into obligations under international law. The entry into force of the Rome Statute of the International Criminal Court, the United Nations Convention against Transnational Organized Crime<sup>2</sup> (TOC Convention) and the United Nations Convention against Corruption<sup>3</sup> (UNCAC), the international community demonstrated the political will to answer a global challenge with a global response.

As stated by Kofi Anan, Secretary General of the United Nations,

*“If crime crosses borders, so must law enforcement. If the rule of law is undermined not only in one country, but in many, then those defending it cannot limit themselves to purely national means in fighting the crimes—if the enemies of progress and human rights seek to exploit the openness and opportunities of globalization for their purposes, then we must exploit those very same factors to defend human rights and defeat the forces of crime, corruption, and trafficking in human beings...”*

Furthermore, the Millennium Declaration adopted by Heads of State meeting at the United Nations in September, 2000 additionally reaffirmed the principles underlying the efforts of various nations and their struggles to enforce rule of law.

The international instruments mentioned above have accelerated the commitment of the international community towards adopting mechanisms to fight corruption, economic and financial crimes. This mechanism has been adopted in various forms and is what is often referred to as international cooperation.

Forms of International Cooperation Mechanisms

1. Law Enforcement
2. Law Reform
3. Economic Development, Technical Assistance and Training

### International Cooperation in Law Enforcement

With regards to the enforcement of crimes related to corruption, economic and financial crimes, the international community has realized that these crimes transcend borders and that the only way to eliminate transnational crimes in a globalized world where technological developments in recent times has impacted on the ability of law enforcement officials to track criminals is through cooperation between law enforcement agencies at the national, regional and international level.

Law enforcement cooperation can be achieved through various strategies. These

include

- Asset Tracing, Forfeiture and Confiscation
- Mutual Legal Assistance
- Extradition
- Judicial Cooperation
- Exchange of Intelligence Information
- Cooperation between Financial Intelligence

Units

- Transfer of Criminal Proceedings
- Protection of Witnesses and Victims
- Joint Investigations

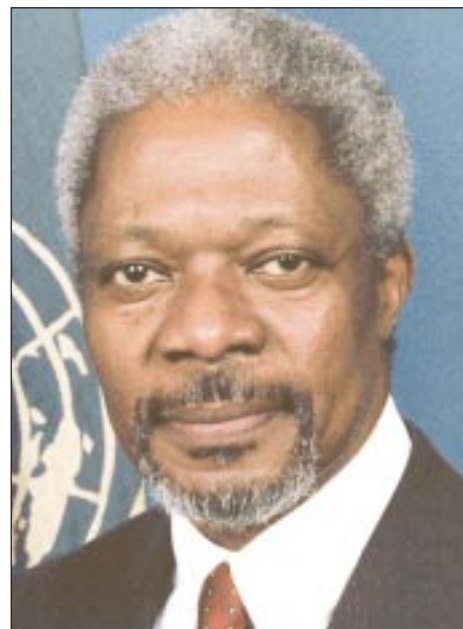
In order to achieve the objectives of law enforcement cooperation among State Parties, the TOC convention contemplates the need for State Parties to enter into bilateral and multilateral agreements or arrangements on direct cooperation between their law enforcement agencies, and where such agreements or arrangements exist, amending them to comply with recent international instruments.

Where there is no existing agreement or arrangement, State Parties are urged to consider the TOC convention as the basis for mutual law enforcement cooperation in respect of the offences covered by the Convention. Same procedure is applicable to other Conventions where State Parties have ratified the Convention. State parties are also urged to make full use of agreements entered at the regional level to enhance cooperation between law enforcement agencies.

Some State Parties have also been known to provide assistance to each other not based on any law but based on mutual understanding of the need to cooperate to fight crimes. Countries have been known to overlook the absence of bilateral and multilateral agreements in assisting each other. However, it must be noted that the international instruments has improved interdictions and cooperation in recent times.

### Law Reform

For international cooperation to succeed, State Parties must be willing to reform existing national laws in order to comply with international standards in the detection, investigation, prosecution, and prevention of transnational crimes such as money laundering, organized crimes, and trafficking in persons and drugs.



•Kofi Annan, UN Secretary General

All the international legal instruments mentioned above requires State Parties who have signed or ratified international laws to take steps to ensure that these laws are domesticated or incorporated into national laws. The process of domestication of laws varies from one country to another. In some countries, such as in Nigeria, the parliament must pass an enabling Act to domesticate such laws before it can be effectively applied by the judiciary while in some countries all you require to implement it is the signing, ratification and deposition at the National Assembly.

In conforming to these laws, Nigeria has ratified the Rome Statute which is now waiting for domestication at the National Assembly. Nigeria has also ratified and domesticated the TOC, and the UNCAC through the enactment of the following laws:  
 The Corrupt Practices and other Related Offences Act, 2000  
 The Economic and Financial Crimes Act, 2004  
 The Money Laundering (Prohibitions) Act, 2004  
 The Prohibition of Trafficking in Persons Act, 2002

All these laws incorporate the salient features which are required in order to detect and prosecute offense enumerated in the TOC and UNCAC to the final conclusion. It also includes provisions on cooperation mechanisms between law enforcement agencies.

Summary of Discovery and Recovery By EFCC's Government Revenue Fraud Committee		
INSTITUTION	DISCOVERY	RECOVERY
Banks	2,585,749,436.00	727,919,064.00
Non-oil Sector Companies	1,200,000,000.00	941,613,423.82
Oil Sector Companies	2,237,800,000.00	2,249,265,960.00
States and L.Gs	6,500,000,000.00	6,500,000,000.00
<b>TOTAL</b>	<b>=N= 12,523,549,436.00</b>	<b>10,418,798,447.82</b>

Such salient features are:

- Criminalization of money laundering
- Criminalization of corruption
- Criminalization of organized crimes
- Establishment



*With regards to the enforcement of crimes related to corruption, economic and financial crimes, the international community has realized that these crimes transcend borders and that the only way to eliminate transnational crimes... is through cooperation between law enforcement agencies at the national, regional and international level*

of Financial Intelligence Unit

- Asset Tracing, Forfeiture, and Confiscation
- Judicial Cooperation
- Mutual Legal Assistance in Criminal Matters
- Measures to prevent and detect crimes
- Measures to train and enhance technical capacities of judges, prosecutors and investigators

From this discussion, one can rightly say that Nigeria has fully complied with the international cooperation mechanisms as relates to the issue law reform in the criminal justice system.

However, they are still thorny issues with regards to the issue of evidentiary burden of proof as couched in our Evidence Act, the Nigerian Criminal code and our court rules which are still under review for purpose of amendment. Additionally, the Cyber Crime and the Terrorism bills are yet to be passed into law too.

Some of these reviews have been going on for too long and we do hope that the agencies and our policy makers will hasten to draft them and pass them into law as soon as possible in order to enhance the capability of law enforcement and judicial officers to bring cyber crime and terrorist offenders to justice promptly.

**Economic Development, Technical Assistance and Training**

The TOC Convention and the UNCAC urges State Parties to take measures to ensure optimal implementation of the provisions of the Convention to the extent possible through international cooperation. The essence of building partnerships amongst Nations of the world cannot be overemphasized, particularly considering the negative impact of organized crime, terrorist activities, and corruption on the society. Organized crime destabilizes nations and distorts economic growth and competition in any country where it is allowed to thrive.

In the foreword to the UNCAC, the Secretary General, Kofi Anan has this to say: "Corruption is an insidious plague that has a wide range of corrosive effects on societies. It undermines democracy and the rule of law, leads to violations of human rights, distorts markets, erodes the quality of life and allows organized crime, terrorism and other threats to human security to flourish.

This evil phenomenon is found in all countries – big and small, rich and poor – but it in the developing world that its effects are more destructive. Corruption hurts the poor

disproportionately by diverting funds intended for development, undermining a Government's ability to provide basic services, feeding inequality and injustice and discouraging foreign aid and investment. Corruption is a key element in economic under performance and a major obstacle to poverty alleviation initiatives and development...."

This statement is very interesting and apt when juxtaposed with the Nigerian situation pre 1999, and even until 2003, when the EFCC became very effective in addressing some of the issues related to pervasive corruption in the Nigerian public and private sector.

In order to understand why State Parties and Members of the United Nations, or regional organizations such as ECOWAS will like to invest money in ensuring that neighboring countries address problems of crime, one must understand the underlying economic and political interests of most countries in selected regions of the world. Additionally, most countries foreign policies are directed towards ensuring that the investments of their citizens' world wide are protected from corruption, organized criminal groups and terrorists.

Therefore, the international legal instruments which were negotiated by at least 70% of the United Nations member countries provides the platform for negotiation of international cooperation in the form of

technical assistance, and training to members who might not have the resources or the capability to enforce transnational crimes and widespread corruption cases. Indeed, the very nature of some these crimes call for international cooperation at bilateral and multilateral level for such crimes to be stamped out. Crimes in this category would include identity theft, credit card fraud, security fraud, advanced fee fraud, internet scams and laundering of proceeds of crimes in different parts of the world, particularly in the Western countries and countries considered as safe havens because of their weak criminal justice systems.

As such economic development and technical assistance often comes in various forms and would include the following:

- Strengthening the capacity of developing countries to prevent and combat transnational organized crimes;
- Providing financial assistance to support efforts of developing countries to fight transnational organized crime effectively
- Assisting countries in transition (countries where the political and governance structures including criminal justice systems have become weak as a result of conflict, dictatorship, and poverty) in meeting the needs required in order to be able to implement the international legal instruments
- Contribution of funds to a joint UN account
- Contribution of part of recovered funds to a trust fund set up for fighting crime globally
- Provision of training in specialized area
- Exchange of technical experts to work with law enforcement agencies in developing countries
- Provision of investigation equipment and tools
- Provision of bilateral or multilateral assistance to that will financial contribution to the State Parties that are in need for the purpose of ensuring effective prevention, detection and control of transnational organized crimes and corruption

**Ongoing Technical Assistance to EFCC**  
Within the context of this discourse,

**Assistance received in the past are:**

Ref Bilateral/Multilateral Agencies and Government Activity Supported Remarks

1. British Council/Department for International Development/British Government -Equipping Training School- Assisting in setting up Financial Intelligence Unit - Provision of Technical Consultants for FIU and Training School -Assist in setting up Special Money Laundering Control Units in Federal Ministry of Commerce Ongoing assistance

2. European Union/UNODC - Provide the EFCC with the required equipment and technical support;- Improve the knowledge of the EFCC staff through training, in-country and overseas; -Strengthen the capacity of the judicial system to prosecute and try economic and financial crimes.

Ongoing -2006 to 2009

3 World Bank -Establishment of a Case Management System-Development of a Media Strategy - Training for FIU Staff - Training for Investigators and Prosecutors - Setting up of an internet research based library 2005 to 2007

4. It should be noted that EFCC has also received international cooperation in the form of intelligence information, judicial and legal assistance through the law enforcement agencies of other countries. They include the UK, US, Japan, Brazil, China, Kenya, South Africa, and the European Union member countries.

This technical assistance has helped our work of tracing looted assets and repatriating them back to Nigeria.



Economic and Financial Crimes Commission has benefited immensely from bilateral and multilateral donor agencies since its establishment in 2003. These can be attributed to so many factors such as:

- Donor confidence in the leadership of EFCC
- Proper management of Donor funds through the establishment of the External Cooperation Department
- EFCC's capability to successfully investigate, prosecute and secure convictions on cases that were hitherto considered impossible
- EFCC has been able to break the jinx related to inability of Nigerian law enforcement agencies to secure conviction on corruption and money laundering offences
- EFCC has recovered several assets including funds belonging to Nigerian government, foreign agencies and corporate bodies well over 5 billion US Dollars.
- EFCC has enhanced Nigeria's profile internationally and has become the reference point in the enforcement of contractual obligations, financial institutions regulatory

framework – national and international and the economic reform program with emphasis on corruption prevention.

• EFCC has contributed to economic growth in the country in the past three years by ensuring that foreign investment guide lines, tax, and revenue laws are enforced.

For international agencies therefore, cooperating with EFCC through provision of technical assistance and training means ensuring that the fight against corruption, economic and financial crimes are sustained beyond the present leadership.

#### Conclusion

It should be noted that international cooperation mechanism is one that requires the cooperation of all the parties involved. There should always be an objective which must be clearly spelt out either in a written document or agreed upon through diplomatic means.

Essentially, the State Parties involved must have a mutual interest in the activity in question. In that way, nobody will feel that his country has been cheated. International

Cooperation often requires negotiation over time and therefore countries or agencies involved must be willing to engage each other in a respectful and courteous manner. It is always advisable to use staff members who are vast in international relations to negotiate cooperation arrangements.

Once the agreement is signed, it ought to be filed with the Ministry in charge of the particular activity or the national agency in charge of development assistance. This is to ensure that such documents can be easily tracked and referenced when the need arises.

Finally, international cooperation is a tool that can be used in building partnership in different aspects of international relations. Its application in law enforcement has enabled countries like Nigeria to recover assets worth millions of dollars. Asset recovery in foreign jurisdictions would not have been possible without international cooperation. It is therefore a veritable instrument in fighting corruption, and financial crimes and should be encouraged.

## The ABZ-Chevron Controversy

*Continued from page 25*

Chevron on the Committee's instruction. While we appreciated their effort in the whole exercise the Committee noted quite clearly that this amount paid by Chevron was not a discovery. It was not an amount in dispute, evaded or avoided or converted by any party. The tax laws allow for legitimate objections and the FIRS was within its rights to either accept or reject the objection. This was made clear to ABZ but they would hear none of this and stopped taking part in any further work with the Committee while vociferously demanding 10% of the amount paid by Chevron.

5. In May 2005 a final report was received from ABZ also alleging tax evasion and fraud. The report was not discussed at the Committee level because they had by this time refused to work with the Committee due to the existing dispute over what they, through Uzonwanne, considered their right to earn a commission from the money paid by Chevron. Only a few weeks after submitting the report, ABZ breached the confidentiality terms of his engagement by EFCC when they made a tour of media houses distributing the report and taking pages upon pages of newspaper adverts to make unsubstan-

tiated allegations against Chevron and EFCC.

6. In the meantime, a total sum of N291, 000 was paid to Mr. Fidelis Uzonwanne as sitting and reimbursable expenses.

7. The Committee in all cases gave the ABZ consultants a free hand to interrogate and clarify issues with officials of Chevron, FIRS and DPR. All allegations were reviewed as specific issues to enable us determine and verify the facts.

8. The documents Uzonwanne is currently parading, as a report of ABZ's investigation is at best a compilation of allegations, which have not been verified.

9. The Committee was very mindful of the need to investigate with the objective of providing forensic evidence for successful prosecution. A lot of the ABZ allegations tended to sensationalize, and had little or no forensic evidence value.

10. The Committee nevertheless recommended that some payment be made by FIRS, the relevant government agency, as some sort of encouragement to ABZ on "Best Effort" criteria.

11. EFCC has been unduly distracted by ABZ. Their resort to paid adverts where they have made wild and unfounded allegations has blatantly abused the confidentiality clause in the letter appointing them to work with the

Commission.

It is important to note with dismay that from the very beginning ABZ had a "Bounty Hunter" mentality and was only interested in the "commission" element of the assignment. We however have always felt that this mentality beclouds and distorts objectivity in investigations and should be discouraged. We are painfully aware of the sacrifice of all operatives and members of EFCC that has led to recoveries of billions of naira of government revenue that would otherwise have been lost and prosecution of fraudsters. We believe the Commission while exercising its role in fighting economic and financial crimes must seek all and get available assistance from patriotic citizens. However, EFCC is advised to steer clear of the ilk of ABZ.

Work at this Committee level has been challenging but equally rewarding in the sense that visible changes are already being effected. The present leadership of the FIRS and the Department of Customs Service are determined to work in concert with the EFCC to ensure that all types of corruption, scams, embezzlement, administrative and non-administrative stealing are eliminated from the Nigerian Revenue Administration System.

## Tax Dodger

*Continued from page 25*

### SHORT TAKES ON TAX CRIMINALITY

In 1920 USA, Prohibition outlawed the sale and consumption of alcohol - but people still wanted to drink. Mobster Alphonse (Al) Capone made Chicago the bootlegging capital of USA, eliminating all competition for this lucrative business. His most famous takeover bid became known as the St. Valentine's Day Massacre. Bribery bought him the law. To bring him down needed policemen who were incorruptible -

the Untouchables. In the end though, it was the more ponderous taxman who toppled 'Scarface' Al Capone.

The assault on Capone was two pronged. The Justice Department formed a tight-knit group of incorruptible agents known as the Untouchables, headed by a young University of Chicago graduate named Elliot Ness. Their mission was to destroy Al Capone's business, but the authorities knew that Ness's activities amounted to little more than an irritation to Capone. The real assault on the gangster and his empire was led by Frank Wilson of the Internal Revenue Service.

An IRS agent named Mike Malone worked his way into Capone's inner circle and made

the financial secrets of the gang his business. The information he gleaned first brought down Ralph Capone, Al's brother, who was shown to have handled \$8 million and not paid a cent in tax. He went down for 3 years. Next was Jake "Greasy Thumb" Guzznik, Capone's treasurer, who drew 5 years in jail. Finally, Frank Wilson traced Capone's bookkeeper, who agreed to give evidence in exchange for immunity from prosecution. In June 1931, Al Capone was charged on 23 counts of tax evasion. He was found guilty and sentenced to 11 years. He was first sent to Cook County jail, then to the Federal Penitentiary at Atlanta, Georgia, and in 1934 to Alcatraz in San Francisco Bay.



# International Narcotics Control Strategy Report on Nigeria

Released by the Bureau for International Narcotics and Law Enforcement Affairs March 2006

**T**he Federal Republic of Nigeria is the most populous country in Africa and is West Africa's largest democracy. Nigeria's large economy is also a hub of trafficking of persons and narcotics. Nigeria is a major drug-transit country and is a center of criminal financial activity for the entire continent. It is not an offshore financial center. Individuals and criminal organizations have taken advantage of the country's location, weak laws, systemic corruption, lack of enforcement, and poor economic conditions to strengthen their ability to perpetrate all manner of financial crimes at home and abroad. Nigerian criminal organizations have proven adept at devising new ways of subverting international and domestic law enforcement efforts and evading detection. Their success in avoiding detection and prosecution has led to an increase in many types of financial crimes,

including bank fraud, real estate fraud, identity theft, and advance fee fraud. Despite years of government effort to counter rampant crime and corruption, Nigerians continue to be plagued by crime. The establishment of the Economic and Financial Crimes Commission (EFCC) and of the Independent Corrupt Practices Commission (ICPC) and the improvement in training qualified prosecutors in Nigerian courts has yielded some successes in 2005.

In addition to narcotics-related money laundering, advance fee fraud is a lucrative financial crime that generates hundreds of millions of illicit dollars annually for criminals. Initially, Nigerian criminals made advance fee fraud infamous; more recently, nationals of many African countries and from a variety of countries around the world have begun to perpetrate advance fee fraud. This type of fraud is referred to internationally as "Four-One-Nine" fraud (419 is a reference to the fraud section in

Nigeria's criminal code). While there are many variations, the main goal of 419 frauds is to deceive victims into payment of an advance fee by persuading them that they will receive a very large benefit in return. These "get rich quick" schemes have ended for some victims in monetary losses, kidnapping, or murder. Through the Internet, businesses and individuals around the world have been and continue to be targeted by perpetrators of 419 scams. The EFCC has tried to combat 419-related cyber crimes, but there have only been a few recorded successes as a result of their cyber crime initiatives.

In June 2001, the Financial Action Task Force (FATF) placed Nigeria on its list of noncooperative countries and territories (NCCT) in combating money laundering. Among the deficiencies cited by the FATF were the failure to criminalize money laundering for offenses other than those related to narcotics, the lack of customer identification requirements for over-the-counter transactions under a threshold of \$100,000, inadequate suspicious transaction reporting requirements, the absence of anti-money laundering measures applied to stock brokerage firms and other financial institutions, and a high level of government corruption. In April 2002, FinCEN, the U.S. financial intelligence unit, issued an advisory to inform banks and other financial institutions operating in the United States of serious deficiencies in the antimoney laundering regime of Nigeria.

In June 2002, the FATF stated that it would consider recommending countermeasures against Nigeria at its October 2002 plenary if Nigeria did not engage with the FATF Africa Middle East Review Group and move quickly to enact legislative reforms that addressed FATF concerns. In October 2002, the FATF recommended countermeasures against Nigeria if the Government of Nigeria (GON) did not enact sufficient legislative reforms by December 15, 2002. That same

month, Nigeria submitted an anti-money laundering implementation plan to the FATF, but it was deemed insufficient to justify delisting Nigeria.

In December 2002, after placement on the NCCT list and under threat of a FATF recommendation for countermeasures, Nigeria enacted three pieces of legislation: an amendment to the 1995 Money Laundering Act that extends the scope of the law to cover the proceeds of all crimes; an amendment to the 1991 Banking and Other Financial Institutions (BOFI) Act that expands coverage of the law to stock brokerage firms and foreign currency exchange facilities, gives the Central Bank of Nigeria (CBN) greater power to deny bank licenses, and allows the CBN to freeze suspicious accounts; and the Economic and Financial Crimes Commission (Establishment) Act that establishes the Economic and Financial Crimes Commission (EFCC), that coordinates anti-money laundering investigations and information sharing. The Economic and Financial Crimes Commission Act also criminalizes the financing of terrorism and participation in terrorism. Violation of the Act carries a penalty of up to life imprisonment. Based on this legislation, FATF decided not to recommend countermeasures against Nigeria; however, Nigeria remains on the NCCT list.

In April 2003, the EFCC was formally constituted, with the primary mandate to investigate and prosecute financial crimes. It has recovered or seized assets from various people guilty of fraud inside and outside of Nigeria, including a syndicate that included highly placed government officials who were defrauding the Federal Inland Revenue Service (FIRS). Several influential individuals have been arrested and are currently awaiting trial. In an effort to expedite the trial process, the Commission has been assigned two high court judges in Lagos and two in Abuja to hear all cases involving financial crimes.



President Olusegun Obasanjo



In 2004, the National Assembly passed the Money Laundering (Prohibition) Act (2004), which applies to the proceeds of all financial crimes. It also covers stock brokerage firms and foreign currency exchange facilities, in addition to banks and financial institutions. The legislation gives the CBN greater power to deny bank licenses and freeze suspicious accounts. This legislation also strengthens financial institutions by requiring more stringent identification of accounts, removing a threshold for suspicious transactions, and lengthening the period for retention of records. In November 2004, the EFCC reported that the great majority of Nigeria's banks were not in compliance with the new law, typically by not adhering to the know-your-customer and know-your-customer's-business provisions of the law and by neglecting to file suspicious transactions reports (STRs). The EFCC promised a new initiative to educate bank personnel and the general public about the provisions of the law before imposing sanctions for noncompliance. Nigeria has not yet detected a case of terrorist financing laundered through the banking system.

Under the 2004 Money Laundering (Prohibition) Act and 1995 Foreign Exchange (Monitoring and Miscellaneous Provisions) Act, money laundering controls apply to non-banking financial institutions. These acts effectively cover brokerage houses, stock brokerages, casinos, insurance companies, and intermediaries such as lawyers and accountants. The Commerce Ministry oversees compliance, which to date has not been very rigorous or effective.

In 2004, the 2002 Economic and Financial Crimes Commission (Establishment) Act was amended. The 2004 EFCC act enlarged the number of EFCC board members, enabled the EFCC police members to bear arms, and banned interim court appeals that hinder the trial court process. The commission's primary mandate is to investigate and prosecute financial crimes, and in particular to coordinate anti-money laundering investigations and information sharing in Nigeria and internationally.

In 2005, the EFCC established the Nigerian Financial Intelligence Unit (NFIU). The NFIU draws its powers from the Money Laundering (Prohibition) Act of 2004 and the Economic and Financial Crimes Commission Act of 2004. It is the central agency for

the collection, analysis and dissemination of information on money laundering and terrorism financing. All financial institutions and designated non-financial institutions are required by law to furnish the NFIU with details of their financial transactions. Provisions have been included to give the NFIU power to receive suspicious transaction reports made by financial institutions and non-designated financial institutions, as well as to receive reports involving the transfer to or from a foreign country of funds or securities exceeding \$10,000 in value.

The NFIU is a significant component of the EFCC. It complements the EFCC's directorate of investigations but does not carry out its own investigations. It is staffed with competent officials, many with degrees in accounting and law. The NFIU is playing a pivotal role in receiving and analyzing STRs. As a result, banks have improved their responsiveness to forwarding records to the NFIU. Under the EFCC act, whistle-blowers are protected. Nigeria has no secrecy laws that prevent the disclosure of client and ownership information by domestic financial services companies to bank regulatory and law enforcement authorities. The NFIU has access to records and databanks of all government and financial institutions, and it has entered into memorandums of understandings (MOUs) on information sharing with several other financial intelligence centers. The establishment of the NFIU is part of Nigeria's efforts toward removal from the NCCT list.

Nigeria criminalized the financing of terrorism under the Economic and Financial Crimes Commission (Establishment) Act of 2004. The EFCC has authority under the act to identify, freeze, seize, and forfeit terrorist finance-related assets. Statistics do not exist to show any shift in the number of financial crimes committed that are not related to laundering or terrorist financing. However, due to the recent creation of the EFCC, the enactment of new laws, and a

*The government of Nigeria has done a better job preventing and pursuing money laundering both within and outside the country in 2005. It should continue to engage with the FATF to ensure that Nigeria's remaining anti-money laundering deficiencies are corrected*

successful public enlightenment campaign, crimes such as bank fraud and counterfeiting are being reported and prosecuted for the first time. In addition to the EFCC, the National Drug Law Enforcement Agency (NDLEA), the Independent Corrupt Practices Commission (ICPC), and the Criminal Investigation Department of the Nigeria Police Force (NPF/CID) are empowered to investigate financial crimes. The NDLEA is adequately staffed to meet the basic requirements of the mandate, but its performance has been uneven this year and there have been allegations of corruption. The NDLEA chairman was recently relieved of his duties after a five-year stint, and a new chairman was appointed to improve the agency's performance. The Nigerian Police Force is incapable of handling financial crimes because of corruption and poor institutional capacity. The EFCC is the agency most capable of effectively investigating and prosecuting financial crimes, including money laundering and terrorist financing. The EFCC coordinates all other agencies in financial crimes investigations.

In 2005, the EFCC marked significant successes in combating financial crime. Two fraudsters in a Brazilian bank scam involving a total of \$242 million in assets were successfully prosecuted and convicted for terms of 25 and 12 years in prison, respectively. Their assets were seized, and they were ordered to give \$110 million in restitution to the bank. Last in 2005, the EFCC returned \$4.481 million to an elderly woman swindled by a Nigerian 419 kingpin in 1995. The kingpin was arrested, prosecuted, convicted, and is serving his prison sentence. A former inspector general of police was arrested and prosecuted for financial crimes valued at over \$13 million. His assets were seized and bank accounts frozen. He is currently serving a prison sentence of six months and still faces 92 charges of money laundering and official corruption. Two sitting state governors are currently the subject of money laundering

investigations. The EFCC, working with the FBI, also has an active case involving a group of money brokers using banks in the United States to launder money. The money laundering legislation of 2004 has given the EFCC the authority to investigate and prosecute such cases. The EFCC also has the authority to prevent the use of charitable and non-profit entities as laundering vehicles, though no such case has yet been reported. There were 23 money-laundering convictions in 2005. The trial court process has improved after several experienced judges were assigned specifically to handle EFCC cases; this has motivated EFCC officials to bring more cases to court. During 2005, the EFCC seized money laundering-related assets worth \$1 billion, more than a 100 percent increase from 2004.

Depending on the nature of the case, the tracing, seizing, and freezing of assets may be done by the NDLEA, NPF, or the ICPC, in addition to the EFCC. The proceeds from seizures and forfeitures are remitted to the federal government, and a portion of the recovered sums is used to provide restitution to the victims of the criminal acts. The NDLEA handles all narcotics-related cases. While the NDLEA has adequate resources to trace, seize, and freeze assets, it made no significant asset seizures in 2005.

For cases that are investigated by the EFCC, the seizure of property is governed by the EFCC (Establishment) Act of 2004. Section 20 of the act provides for the forfeiture of assets and properties to the federal government after the accused has been convicted of money laundering, including foreign assets acquired as a result of such crime. The properties subject to forfeiture are set forth in Section 24. They include any real or personal property that represents gross receipts or proceeds of the act or which is traceable to such gross receipts. They also include any property that represents the proceeds of an

*Continued on page 41*



Continued from page 26

would be able to do an audit that would give you a basis for determining whether, aside from accurate reporting of revenues that have been paid or received depending on whether you are looking at government or the companies. You also will have a basis for assessing whether those revenues paid or received in the first place were the amount that ought to have been paid.

The third level of the issue is the process audit. What are the procedures for granting oil blocs, the licensing procedures and the systems that are in place for these, do they match international standards? Do they guarantee that decisions about who to allocate blocs will be based on clear rules of the game not based on discretion or corruption? How is it that we do things differently from other jurisdictions that are also oil and gas jurisdictions? What are the procedures for procurement by the sector? The cost of generating a barrel of oil in Nigeria, how does it compare with the cost of generating a similar barrel in say, Malaysia or Brazil? Why is our own cost higher, what is driving it? These are the kind of things that the NEITI program will reveal and the idea of this is that when we have this kind of information available to the public, the public is better armed to demand accountability from government as well as from the partners of government who are the industry operators.

**Q:** *What roadmap have you drawn up since moving to the Solid Minerals ministry?*

The road map is that we are building a new sector entirely; a sector where government is strong in the area of policy as a regulator and administrator; a sector where the private sector will be the drivers. They will be the owners, managers of the sector, so once they get the title in order to go into one field of activity or the other—maybe mining coal or gold, tantalite or varieties of minerals, they will apply themselves to doing that and when they get the mineral commodities they are mining, they will pay royalties and taxes as appropriate to government. So, it is a sector where government is now admitting that it cannot continue to invest in the business of mining because government is not a good business person and that the private sector does this kind of business better.

We are now taking the role of regulators; we are taking the role of providers of baseline scientific data through the geological survey agency. Before the private sector can come to your country no matter the endowments you have, there must be a start off point in terms of baseline geo-scientific data that will give them some roadmap as to where the occurrences are, where the possibilities exist that they will find something when they dig deeper. Therefore, we have a responsibility of providing that kind of geological, geophysical or geo-chemical data as the case may be. So that's what we basically do now in the sector. We also have the responsibility of setting clear and transparent rules of the game by which these private sector people will operate so that we are not in anyway changing the goalposts as they begin to operate. This we hope to achieve through

*You know in our records we had over 4,000 title holders and when we said, 'Ok come and establish the veracity of your titles,' only 36% of the title holders came forward*

a very good mining legislation—and you know we already had a public hearing on the new mining legislation in December 2005—and hopefully it will be passed by the end of the first quarter of 2006.

In terms of the structure of the ministry, we are re-building the personnel structure. We are emphasizing the technical department and reducing the importance of the support departments. Now we have four technical departments and just one support department as against what I met when we had four support departments and only one technical department. We are re-structuring and making the ministry leaner but more competent. When I got here we had some one thousand three hundred workers, 82% of who were administrative support staff and only about 18% were technical people. Now we have changed that configuration. So, when people look at us from abroad, they will know that this is a serious mining sector that we are entering.

We are also looking at the mechanism through which people are granted licenses and permit and leases and that is why we set up what is known as a mining cadastre office. So, the minister is not important in my sector; the minister is just a policy person. The mining cadastre system is a transparent system that when you go there on the basis of the clear rule of the game, you put an application it does not take any rugged science for you to know whether you qualify to get the license or the permit and if you are not going to be granted because you have failed any aspect of

the rules of the game, it is clear to you and you can go back and work towards re-applying but it won't be based on discretion anymore. These are the things that other countries that are similarly endowed as us did in order to begin to attract big time investors into their mining sector. If we do what we are supposed to do well, we hope to become a mining jurisdiction that is irresistible to global capital.

**Q:** *Have you considered prosecution as deterrence, against the backdrop that the solid minerals sector was thought to be an anything-goes place, where people came and did whatever they liked and went unchallenged?*

We are still doing a lot of investigation. Our revalidation exercise showed us something very amazing. You know in our records we had over 4,000 title holders and when we said, 'Ok come and establish the veracity of your titles,' only 36% of the title holders came forward. Most of them quietly dodged, because they knew they got their titles by fraudulent means and that the new solid minerals sector is a sector where bad behaviour will be strongly sanctioned.

So even beyond prosecution, the fact of knowing that irresponsible behaviour will no longer be tolerated and is enough to keep people from doing the wrong thing. In the past, you remember, people just carried on doing bad things because they saw that bad behaviour rather than being punished was rewarded. That is the difference between us and some other societies. Let me tell you, if Americans began to think that if they failed to pay their taxes they will get away with it, they will fail to pay them. But an American knows that if he fails to pay his taxes, not only will the IRS get him, he will be totally disgraced and put in jail. So that knowledge has a deterrent effect that helps keep him on the straight and narrow path. That is what we are beginning to see in our own society again and that is very good.

The EFCC is instrumental to changing the psyche of the average Nigerian. Today the average Nigeria recognizes that there exists a body called EFCC which if it establishes that you are engaged in corrupt behaviour will come down hard on you. Now, that realisation is enough for people to do the right thing. As for us, we are following the same trend that any bad behaviour that is established, like people who have illegitimate titles coming forward to say 'I have a title,' we will nab them through the assistance of the police and EFCC. If we have people who have titles but are doing illegal operations with their titles, our mines inspectorates will discover them with the assistance of EFCC. That is the basis of the collaboration we have established with the EFCC. So, this sector is not ready to give incentives for bad behaviour. Bad behaviour must cost people big time. That is the signal we are sending out.



# Wanted by EFCC

• **CHIEF OLAFEMI AYENI (ADE BENDEL'S ACCOMPLICE)**

**Chief Olafemi Ayeni**, the principal 419 suspect who conspired with **Alumile Adedeji (aka Ade Bendel)** to dupe an Egyptian General, Mr. Abdel Azim Attia of over \$500, 000, has been declared wanted by the **Economic and Financial Crimes Commission (E.F.C.C)**.

Ayeni, the first suspect who posed as **Hakeem Sadiq Fulani** in the shady business deal, had, along with Alumile Adedeji (a.k.a Ade Bendel), the second suspect currently undergoing trial, obtained by false pretence, the sum of **\$305,000** from the General as funding for a business investment in farming.

**Ayeni** was initially arrested by the police and charged to an Abuja magistrate court, which released him on bail. He has since broken the bail conditions and gone into hiding. He is wanted in connection with incriminating evidence discovered by investigators at his home and to shed more light on his role in the 419 heist.

**The wanted suspect is 43 years old and hails from Ilesha, Osun State.** Patriotic Nigerians who know his whereabouts should forward such information in strict confidentiality to the **E.F.C.C at No 15A Awolowo Road, Ikoyi, Lagos** or report to the nearest police station or call **01-4745544**. A handsome financial reward awaits anyone who offers information that leads to the arrest of the suspect.

• **FRANCIS OLUGBENGA AJALA**

The Economic and Financial Crimes Commission has declared Mr. Francis Olugbenga Ajala wanted.

He is wanted for questioning over allegations of conspiracy, stealing, official corruption and money laundering.

Ajala was until recently an Assistant General Manager and Head of the Abuja branch of Fountain Trust Bank. He hails from Ilesha, Osun State.

Anyone with information on the whereabouts of Mr. Francis Olugbenga Ajala should contact EFCC at:

- Plot 1017 & 1018 Coree Bay Crescent, off Adetokunbo Ademola Crescent, Wuse 11, Abuja. Tel: 09- 3148070-4; 3140052, 3146719. E-mail: info@efccnigeria.org;
- 15A Awolowo Road, Ikoyi, Lagos. Tel: 01- 4749419; 2624189; or the nearest police station or security agency.



**MR. TONY OKWEKU**, son of Rev. Fred Okweku and native of Igbanke, Orhionmwon Local Government Area of Edo, State; in respect of a case of conspiracy and obtaining the sum of N4.3million from his landlady over nonexistent oil business.

The suspect who had admitted the offence and returned N0.5million however jumped bail. Effort to locate his

• *Tony Okweku*

whereabouts has so far been unsuccessful.

His last known address was: 28, Sijuola Street, Ago Palace Way, Okota, Lagos.

Any one with information on Mr. Tony Okweku's whereabouts should contact EFCC at:

- Plot 1017 & 1018 Coree Bay Crescent, off Adetokunbo Ademola Crescent, Wuse 11, Abuja. Tel: 09- 3148070-4; 3140052, 3146719. E-mail: info@efccnigeria.org;
- 15A Awolowo Road, Ikoyi, Lagos. Tel: 01- 4749419; 2624189; or the nearest police station or security agency.

• **ALHAJI ABDULKADIR ABACHA**



• *Abacha*

The Economic and Financial Crimes Commission has declared Alhaji Abdulkadir Abacha, younger brother of the late Head of State, General Sani Abacha, wanted.

He is wanted for questioning over allegations of conspiracy, stealing, official corruption and money laundering.

Alhaji Abacha, who was last seen in Area 11, Garki, Abuja, is a carbon copy of the late head of state.

Information available to the commission indicate that the suspect who went into hiding when he got wind that EFCC was on his trail, now moves only at night and is making plans to sneak out of the country.

Anyone with information on the whereabouts of Alhaji Abdulkadir Abacha should contact EFCC at:

- Plot 1017 & 1018 Coree Bay Crescent, off Adetokunbo Ademola Crescent, Wuse 11, Abuja. Tel: 09- 3148070-4; 3140052, 3146719. e-mail: info@efccnigeria.org
- 15A Awolowo Road, Ikoyi, Lagos. Tel: 01- 4749419; 2624189.

**MR. SUNNY OKOCHA**, principal suspect in a case of conspiracy, money laundering and obtaining the sum of \$3,125,000 under false pretences.

Since the matter was reported by an official of the Nigerian-German Business Association, effort to track down Mr. Okocha, the prime suspect has proved abortive. His last known address was: Plot 7/8, Apha Beach Road, Lekki, Lagos. Anyone with information on the wherewabouts of Mr. Sunny Okocha should contact EFCC at:

- Plot 1017 & 1018 Coree Bay Crescent, off Adetokunbo Ademola Crescent, Wuse 11, Abuja. Tel: 09- 3148070-4; 3140052, 3146719. E-mail: info@efccnigeria.org;
- 15A Awolowo Road, Ikoyi, Lagos. Tel: 01- 4749419; 2624189; or,
- The nearest police station or security agency.



• *Okocha*

## FAKE 'EFCC' MEN ON THE PROWL

The Economic and Financial Crimes Commission, EFCC has observed with concern the growing incidences of impersonation of officials of the commission by fraudsters who have turned the name of the commission to a goldmine by using it to dupe members of the public.

The fraudsters posing either as officials or agents to officials of the commission have been duping innocent citizens of money running into millions in both local and foreign currencies.

The modus operandi of the fraudsters is varied. But frequently they come in the form of solicitation of bribes supposedly on behalf of officials of the commission either to investigate a matter or to kill a case that is usually non-existent or, at times, pending before the commission. They make contact with potential victims via phone calls and subsequent follow-up visits when the victims bite the bait.

Nigerians are hereby warned to be wary of people introducing themselves as EFCC officials and asking for money or gifts to 'kill' a matter or to influence the Commission in any way on any matter before EFCC.

It is not EFCC's operation style to make phone calls to suspects.



# A Dramatic End To A Mega Scam

By ZT Team

**T**here could not have been a more dramatic end to the long drawn legal battle between the Economic and Financial Crimes Commission, EFCC and Emmanuel Nwude and Nzeribe

Okoli, accused persons in the \$242m advance fee fraud scam involving the Brazilian Bank, Banco Noroeste S.A. Thirty months of legal rigmarole and bizarre theatrics ended November 18, 2005, when the accused persons who all the while had maintained innocence of the crime, suddenly changed their plea, accepting responsibility for the monumental scam that sank the biggest bank in the South American nation.

The sudden change of plea paved the way for the conviction of the accused persons who were handed various jail terms by the presiding Judge, Justice Joseph Oyewole of Ikeja High Court, Lagos. While Nwude bagged a 25years jail term, Okoli was sentenced to 12 years imprisonment. However, the sentences are to run concurrently, with the first accused expected to be out of jail by October next year.

However, apart from the jail terms, the convicts are to make restitution, including



• Emmanuel Nwude



• Nzeribe Okoli

forfeiture of assets to the victim, Nelson Sakaguchi, director of Banco Noroeste. Nwude for instance, is to pay \$110m to Sakaguchi. He is also to forfeit choice assets scattered across major cities in Nigeria and the United Kingdom, including equity holdings in two blue chip companies: Union Bank Nigeria Plc and Nigerian Bottling Company Plc. Okoli on his part is expected to surrender his uncompleted filling station, residential complex and a property situated at 6, Ocean Avenue, Nkpokiti, Enugu, Southeastern Nigeria.

Evidently, the judgment represents a major boost for the EFCC which has had to wrestle all manners of obstacles to steer the case to a justifiable end. From the outset it would seem that the accused persons were not in court for justice. Defense attorneys filibuster for as long as the accused wanted, all in the hope of wearing down the prosecution and its witnesses, most of who had to be flown in from overseas at great cost to EFCC.

With hindsight, the trial may make the history books as one of the most adjourned, most controversial and most dramatized. It went through three judges, while at least four senior Advocates of Nigeria (SANs) appeared for the first accused (Nwude). The high turnover of top-of-the-range defense counsel was not on the strength of the lucrateness of the brief, even though it was an open secret that lawyers openly scrambled for it. Rather, it was part of the deliberate strategic maneuvering of the first accused to truncate the trial in the hope of escaping justice. For almost a year, the substantive case was put on hold due to the antics of the accused persons. Matters got so bad that another accused person in the mega scam, Amaka Martina Anajemba complained that she was suffering prolonged detention as a result of the obstructionist agenda of her co-accused.

Anajemba was convicted on July 15, 2005, and sentenced to two and half years imprisonment after pleading guilty to her role in the mega scam. Apart from the jail term, the convict is to pay restitution to the victim in cash as well as properties valued at N3.1billion in Nigeria and \$25million abroad. She is also to forfeit \$5million, in addition to paying a fine of N2million to the Nigerian government.

It is instructive that the other accused persons continued to proclaim their innocence even after Anajemba owned up and was jailed accordingly.

Every change of counsel afforded Nwude

more time to mull his options as new defense counsel routinely asked for time to familiarize themselves with facts of the case. The exchange of batons from one defense counsel to another saw G O K Ajayi hand over to Olisa Agbakoba before Ricky Tafa eventually inherited the case. Where the accused are not busy shuffling legal teams, the lawyers are themselves creating scenes. G O K Ajayi at a stage stormed out of court when one of his prayers which would have had the effect of delaying the trial was refused by the judge.

More perplexing was Agbakoba's absence from court which forced adjournments on three occasions. Where change of counsel did not serve as sufficient alibi, the accused feigned ill-health to slow down the trial process. This card was adroitly used by Nwude who spent quality time at the Abuja National Hospital and the Lagos University Teaching Hospital for a yet-to-be-fully-disclosed ailment.

Perhaps the height of the melodrama was the pandemonium of September 13, 2005. A bomb scare threw the court into confusion, creating a perfect atmosphere for star witness Oludayo Ogunleye, a staff of the United Bank for Africa Plc, who was due to take the witness box, to be abducted by agents of the accused persons and the evidence he would have tendered in court destroyed. This abduction is currently the

*Continued on page 39*



•419 convict Amaka Anajemba being taken out of court.



•Chief Justice Mohammed Uwais

## INTRODUCTION

One crime that is receiving great national and international attention is money laundering. Following the pressures mounted by the Financial Action Taskforce (FATF), United Nations Office on Drugs and Crimes (UNODC) and other international bodies which co-ordinate the war against money laundering many nations have come to put in place money laundering legislations, programmes and structures in their efforts to combat the crime. Nigeria, based on its conviction that the fight is very necessary and requires urgent attention in 1995 promulgated its first anti- money laundering legislation known as The Money Laundering (Prohibition) Decree No.3 of 1995. The said Decree No. 3 of 1995 was reenacted as the Money Laundering (Prohibition) Act of 2003 and eventually as the Money Laundering (Prohibition) Act of 2004 which is currently in force.

**Money laundering is usually done in three stages namely:**

**Placement:** introduction of funds into the financial system through seemingly legitimate meaning. This might be done by breaking up large amounts of cash into less conspicuous smaller sums that are then deposited directly into a bank account.

**Layering:** the use of layers of financial transactions to hide the trail (e.g. converting cash into travellers' cheques or letters of credit, or purchasing valuable assets and other investment instruments, wiring of the money through a series of accounts at various banks across the globe.)

**Integration:** using apparently legitimate transactions (e.g. sham loans, false import/export notices) to disguise illicit proceeds and allowing them to be disbursed to the criminal. It may be invested in real property or other business enterprises as a form of re-integration to the economy.

**\$600 Trillion Laundered Annually**

A drug trafficker will find it difficult to work with cash in bulk. \$200,000 in \$10 bills

# Sanctions For Not Reporting Money Laundering

Sanctions for non-compliance with the reporting procedures (Corporate and Non corporate bodies) Civil and Criminal Sanctions under the Money Laundering (Prohibition) Act 2004.

■ By Chile Okoroma ■

weigh about 40 pounds. Bank notes are easily lost, stolen or destroyed. To enter cash into the banking system, the trafficker may conceal its origin by sending funds electronically from one country to another, then breaking it up into investments, which are then moved to evade detection. Once the funds are integrated into a local economy, they are available for use under the illusion that they come from legitimate sources or activities. According to the International Monetary Fund worldwide money laundering activity is estimated at between 2% - 5% of global GDP, which is at least \$600 Trillion.

## OBLIGATIONS AND SANCTIONS UPON DEFAULT

To be able to monitor effectively financial transactions for the purpose of detecting, preventing and prosecuting money laundering activities the Money Laundering (Prohibition) Act has imposed on certain organisations or institutions some measures of responsibilities with attendant sanctions upon default. The organisations include corporate and non-corporate bodies. Some are classed as financial institutions and others as designated non-financial institutions.

Section 24 of the Money Laundering Act defines a financial institution to mean banks, body, association or group of persons, whether corporate or incorporate which carries on the business of investment and securities, a discount house, insurance institutions, debt factorisation and conversion firms, bureau de charge, finance company, money brokerage firm whose principal business includes factoring, project financing, equipment leasing, debt administration, fund management, private ledger services, investment management, local purchase order financing export finance, project consultancy, financial

consultancy, pension funds management and such other businesses as the Central Bank or other appropriate regulatory authorities may from time to time designate.

A designated non-financial institution according to the section means dealers in jewelers, cars and luxury goods, chartered accountants, audit firms, tax consultants, clearing and settlement companies, legal practitioners, hotels, casinos, supermarkets or such other businesses as the Federal Ministry of Commerce or appropriate regulatory authorities may from time to time designate.

The obligations imposed on financial institutions and designated non- financial institutions include: reporting of international transactions or transfers of funds or securities of a sum exceeding US \$10, 000.00 or its equivalent by any person or body corporate to the Central Bank of Nigeria or Securities and Exchange Commission;2.which will in turn forward the report to the Economic and Financial Crimes Commission;3.reporting to the Commission through the Federal Ministry of Commerce within 7days of the transaction such transactions involving a sum exceeding US \$5,000.00 or it equivalent with full particulars of customer's identification and other particulars;4. reporting of suspicious and unwieldy transactions within 7 days of their execution to the commission with relevant information particulars of the transaction under section 6 of the Act; reporting to the commission or the National Drug Law Enforcement Agency in writing within 7days any single transaction, lodgment or transfer of funds in excess of N1,000,000.00 or its equivalent, in the case of an individual, or N5,000,000.00 or its equivalent in the case of a body corporate.6

The sanctions for non-compliance with the reporting requirements are in some

‘ *Money laundering activity is estimated at between 2% - 5% of global GDP, which is at least \$600 Trillion* ,

“*It should be noted that a body corporate can be charged and prosecuted for an offence and possibly convicted like a natural person*”

cases civil and others criminal. The sanctions can be imposed on a body corporate or non-body corporate, and individuals as the case may be. They include: imprisonment and or fines; suspension, withdrawal or revocation of licence; winding-up and forfeiture; ban and other disciplinary measures.

#### **IMPRISONMENT AND OR FINES**

A director or an employee of a financial institution [example a bank] or designated non-financial institution [example a supermarket or auditing firm] who fails to comply with the reporting requirements highlighted above particularly in relation to reporting transactions which involve a frequency which is justifiable or unreasonable, or surrounded by conditions of unusual or unjustified complexity, or appears to have no economic justification or lawful objective as provided for under section 6 of the Act .7 commits an offence and is liable on conviction to imprisonment for a term not less than 2years or more than 3years. It can be observed that there is no option of fine in this case. However the courts have power where there is no express exclusion of an option of fine to impose fine in lieu of a term of imprisonment. This position is fortified by the case of *Isang V State*.<sup>8</sup> where it was held that under section 382 (1) of the Criminal Procedure Code , where a court has authority under any written law to impose imprisonment for an offence and has not specific authority to impose a fine for that offence, the court may, in its discretion, impose a fine in lieu of imprisonment.

Where the failure to report relates to an international transfer of funds or securities required to be reported under the Act or the customer identification and submission of returns in connection with occasional transactions by designated non-financial institutions in section 5 of the Act, the person [whether a director or an employee or any other person who is charged with such responsibility] commits an offence under the Act and shall be liable on conviction to a fine of not less than N250, 000.00 or more than N1million or a term of imprisonment of not less than 2 years or more than 3years or to both fine and imprisonment in the case of an individual.

Where the culprit is a financial institution or any body corporate it will be liable on conviction to a fine of not less than N250, 000.00. It should be noted that a body corporate can be charged and prosecuted for an offence and possibly convicted like a natural person.

The same punishment awaits, upon conviction, any financial institution or designated non-financial institution including the director or employee of any of them who fails to report to the commission or the National Drug Law Enforcement Agency in writing within 7days any single transaction, lodgment or transfer of funds in excess of N1, 000,000.00 or its equivalent in the case of an individual or N5, 000,000.00 or its equivalent in the case of a body corporate.

A combined reading of subsections 15(1) (a), (f), (2)[a] and b(i) would seem as if the punishments stated in the foregoing subsections are double in respect of a director or employee of a financial institution who contravenes section 6 of the Act. It is respectfully submitted that this is not within the contemplation of the legislators as it would amount to double jeopardy which is prohibited by the 1999 constitution of the of the Federal Republic of Nigeria .11 to impose punishments prescribed in different sub sections of section 15 Act on an offender in respect of a particular offence of failing to make the required report under section 6.

The effect of this is that the punishment to be handed down by the court will depend on the particular sub-section of the Act under which the offending director or employee is charged .

#### **SUSPENSION, WITHDRAWAL OR REVOCATION OF LICENCE**

The Act also makes provision , upon conviction, for suspension, withdrawal or revocation of the operating licence by the appropriate authority as the circumstances may demand (in addition to fine) of a designated non-financial institution which contravenes the provisions of the Act on customer identification particulars and reporting procedures.<sup>12</sup> The appropriate licensing authority could be the Federal Ministry of Commerce, National Insurance Commission or the Central Bank of Nigeria.

Furthermore, the Governor of Central Bank of Nigeria reserves the right or power to suspend, withdraw or revoke the licence for instance of a bank, for failure to comply with section 9(1) of the Act requiring financial institutions to put in place such programmes, structures and organs that will ensure compliance with the provisions of the Act.<sup>13</sup>

#### **WINDING UP AND FORFEITURE**

As had been stated earlier a body corporate can be charged and convicted of an offence under the Act. By virtue of

section 18(2) of the Act where a body corporate (ie a company or corporation) is convicted of an offence under the Act , the court may order that the body corporate be wound up and all its assets and properties be forfeited to the Federal Government. The winding up of the company may result in its eventual dissolution or death and the eventual loss of its corporate personality and existence.

In addition, a director who had contributed to or instigated the commission of the crime by the body corporate shall be liable on conviction among other sanctions to be disqualified from being a director of any company for a period not exceeding ten years under the Companies and Allied matters Act. 15.

#### **BAN AND OTHER DISCIPLINARY MEASURES**

Ban from practising the profession which provided the opportunity for the offence for an indefinite period or for a period of 5 years can also be meted out on an offender.<sup>16</sup> This can be done by the professional body to which the person belongs on its own accord or prompting or upon recommendations of the court.

The professional body or disciplinary authority can also take such disciplinary measures which it considers appropriate particularly when the misconduct is of such a serious nature as to have the tendency of bringing the name and integrity of the profession to which the culprit belongs to disrepute.

Furthermore, the Governor of the Central Bank of Nigeria can, where a financial institution like a bank is involved penalise the institution with an imposition of a penalty of not less than N1m or suspension of its licence as the case may be for non- compliance with certain provisions of the Act.

•*Okoroma is Head, Legal and Prosecution Unit, EFCC.*

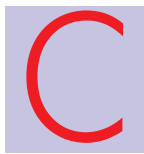


•*Bayo Ojo, Attorney General of the Federation*



# EFCC's IT Strategy To Contain Cybercrime

By MKG Ibrahim



cyber crime presents a major challenge to the Economic & Financial Crimes Commission (EFCC) struggle to rid the country of Economic and Financial crimes

and other related crimes. Whereas the traditional crime is local and easily understood, cyber crime is complex and most often requires enormous resources and expertise to contain.

Today, the computer has become an integral part of our way of life. However, as our connectivity and dependency on technology increases, so does our vulnerability. The abuse of new technologies may threaten economic and financial security and actually devastate the lives of affected individuals. It is estimated that nearly every crime committed today has a technology component, usually a computer. Technology has provided not only new tools, but also new opportunities for criminals in the digital world. I

Indeed, adequately formulating a strategy to contain the menaces of cyber crime presents a formidable challenge to law enforcement.

Cyber crime today is characterized by profit driven motives involving organized crime syndicate like the "Yahoo Boys".

The common features of cyber related crimes are:

• **Spamming:** Sending unsolicited e-mails a.k.a. scam "419" e-mails,

• **Mouse-Tapping:** Where clicking the browsers back button does not lead out to the unwanted site by only to the viewing of further unwanted pages, e.g. pornography,

• **Trojan Programming:** A legitimate program altered by the injection of unauthorized code causing it to perform unknown (and hidden) functions.

• **Phreaking:** Breaking into telephone network illegally.

• **Infecting of systems and networks with viruses, worms.**

• **Malicious coding:** Programs that when executed would cause undesirable results on a system.

• **Hacking:** unauthorized entry.

• **Cyber stalking**

• **Information tempering**

• **Identity theft, Credit card fraud**

• **Denial of service attacks:** An attack on a web server that floods the server with

bogus requests for pages.

It is therefore reasonable to assume that the growth in technology uptake will be accompanied by an increase in the incidence, scope and complexity of cyber crime.

Along with a strong enforcement regime, the EFCC has adopted the following IT based strategy to deal with the menace of cyber crime:

#### **Partnerships:**

The EFCC has signed a Memorandum of Understanding, MOU, with Microsoft to specifically combat Cyber Crime

through information sharing, collaboration and capacity building. The EFCC - Microsoft MOU is historic, the first of its kind MOU between an African government and Microsoft which defined the framework for cooperation between EFCC and Microsoft to fight cyber crime.

The Commission having recognized the need for collaboration to facilitate the exchange of information and intelligence in order to detect, prevent and respond to cyber crime, has also signed MOUs with a number of international agencies like the Office of Fair Trading, UK (OFT), Spots Spam of EU, Gi8 24/7 Network, NHTCU, etc.

**Resources and capacity:** The EFCC has also recognized the need to enhance capacity and thus embarked on skills acquisition particularly in the area of specialist forensic computing which involves the process of identifying, preserving, analyzing and presenting digital evidence.

## Portrait of a Yahoo-Yahoo Boy

For a 20-year old who recently completed a diploma programme in Business Administration from one of the nation's higher institutions, Eddy Ighodaro appeared primed to take on the challenges of life. Like most youth of his age, he had a dream, which was to take his academic career a few notches higher by acquiring a university degree.

But as he waited for his admission into the university to sail through, the trajectory of his academic career suffered a tragic detour. A sudden fascination with the internet and the boundless opportunities it presents held more than innocent attraction for the young lad.

He deployed the youthful zeal to exploring the possibilities especially the one that seemed to guarantee access to easy money and life on the fast lane. He learned fast. A couple of deals fetched him few thousands in hard currencies. He already envisioned life on the fast lane and launched himself fully into the ignoble trade. Gone was his dream for university education.

But as sudden as the change in his career plans, Eddy's world came crashing on August 19, 2005 when he was picked up by operatives of Economic and Financial Crimes Commission, EFCC from his home in Balogun area, Ikeja, Lagos. He was arrested along with his friend and partner-in-crime, Victor Koma, 35, who recently relocated from Sapele, Delta State, to team up with his old school friend. Both are ex-students of Okotie-Eboh Grammar School, Sapele.

Operatives later found that Ighodaro and his friend had

6 *The abuse of new technologies may threaten economic and financial security and actually devastate the lives of affected individuals* ,



**Prevention:** The Commission has identified the need to acquire interception and surveillance capabilities to effectively respond to the threat of cyber crime.

**Regulation and Legislation:** the Advance Fee Fraud and other related offices (Amendment) Act 2005 invests on the Commission among other things the responsibilities and power to:

a. Effectively monitor and supervise Internet Service Providers (ISPs), Cyber Café's etc.

b. Prescribe penalties for non-compliance.

However, the nature and methods of cyber crime is constantly changing. Therefore the Commission would continually strive for improve legislation to address the

complexities associated with cyber crime.

Finally, cyber crime presents a unique challenge that requires a well co-ordinated strategy for enhanced national and international collaboration between the law enforcement agency and the private sector as exemplified in the EFCC-Microsoft partnership. The Commission has set itself the goal of curtailing the menace of cyber crime particularly the scam mails a.k.a. 419 mails originating from Nigeria. It is a goal that is achievable with appropriate technology, collaboration; information sharing and people based solutions.

*•Ibrahim is EFCC's Head, Information and Communication Technology.*

set up a computer system with full internet connection in their bedroom from where they sent out thousands of spam mails and run a fake lottery scheme through which they conned several foreigners. One of their victims, Dr. M. Parivallal eventually petitioned EFCC.

Indeed, Ighodaro is part of a stream of youngsters that have turned the cyber crime into a vocation. The 20-year old is the quietest internet fraudster: young, smart and ambitious. Most scammers fall within the 18-30 years age bracket. They are young, and most often out of school and desperate for an anchor to weather the storms of life.

Picking out an internet fraudster from a group is not an easy task for the untrained. But for the eagle-eyed operatives of the Advance Fee Fraud unit of EFCC, there are tell-tale signposts. The scammers are known to gravitate toward certain spots. Until recently, the cyber cafes that dot major cities were shrines for them. They frequented these and at times, stay over night browsing. But following incessant raids on these centres, some have recoiled into their homes, where they have successfully duplicated all the amenities available at the cyber cafes. The tell-tale signs of affluence around them include expensive mobile phones, luxury homes and exotic cars. But, only those who have pulled successful deals could command such lifestyle; the upstart still hopes for that 'lucky' break, when a unwary westerner would swallow the bait. However, both the strugglers among them and the ones that are already made are known to hang out at popular fun spots where they frequently drop computer fraud slang in conversations.

The Internet fraudster can be found all over Lagos and a few other major cities in Nigeria, but the activities of the men of the Advance Fee Fraud unit of the EFCC are making them to fast become an endangered specie.

## Dramatic end

Continued from page 35

6

*Evidently, the judgment represents a major boost for the EFCC which has had to wrestle all manners of obstacles to steer the case to a justifiable end*

subject of an inquiry.

The bomb scare which turned out to be a hoax was a desperate ploy to intimidate both the judge and the prosecution, especially the witnesses.

But with Justice Oyewole refusing to be cowed, the trial continued, with gusto. And by the time the accused persons finally threw in the towel, the prosecution had called six witnesses, with many more lined up to give evidence, linking the accused persons to the crime. And with each witness, the prospect of a long jail term for the accused persons increased. What may have deflated the accused persons resolve to sustain their plea of innocence and risk the temper of the trial judge were the September 15 proceedings. On that day, the prosecution took the wind out of the sail of the defense when Naresh Asnani, an Indian Businessman who had served a jail term in Geneva, Switzerland for his role in the scam took the witness box. His evidence was lethal. With methodical precision, he provided graphic details of how he helped Nwude to launder \$127 million, proceed of the scam. As he spoke, the accused persons fretted and sweated, despite having the air conditioners humming at full blast. Their defiant mien gave way to anxiety. It was evident that something was about to give. The prosecution perhaps read the mood correctly and pressed its advantage.

The real turning point in the case was when prosecution counsel, Rotimi Jacobs announced the presence of the victim of the crime, Nelson Sakaguchi in court. The prospect of Sakaguchi giving evidence was perhaps never imagined by the accused persons. Neither were they prepared for it. Sakaguchi's evidence would have been the final nail in their coffin. But it

never came as the accused persons made a dramatic detour by admitting that they committed the crime. To this extent, the change of plea by the accused was a matter of convenience, to impress the judge and escape with not-too-hash jail terms. This was evident in the allocutus by Ricky Tafa, counsel to Nwude. He urged the judge to take cognizance of the change of plea by the accused persons and the fact that they were first offenders.

From indications, the judgment is victory for the rule of law. It equally lends credence to the EFCC mantra that nobody is above the law.

For the victim, respite has replaced despair. Indeed the return of \$17m to the victim by the EFCC chairman Mallam Nuhu Ribadu barely three days after the judgment must be dream come true. An elated Sakaguchi told Nigerian journalists moment after the judgment that he was relieved that his bruised and battered reputation and integrity had been restored by the decision of the court.

But for Nwude and Okoli the bumpy ride to jail began effectively in February 4, 2004 when they were arraigned before justice Lawal Gumel, chief judge of Abuja for defrauding the Banco Noroeste through its director, Sakaguchi of \$242m over a non-existent contract to build an international airport in Nigeria. The offence which is punishable under section 1(1) and (3) of the Advance Fee Fraud Act of 1995 as amended, was committed between 1995 and 1998 in Opebi, Lagos. A prima facie case was established against the accused persons before the judge. However with the Abuja High Court refusing jurisdiction on the ground that the offence was committed in Lagos, the accused persons were re-arraigned before Justice Joseph Oyewole of Ikeja High Court. The rest is history.



# Day Internet Fraudstar Met His Waterloo

■ By Abu Sumainah ■

**H**e walked majestically into the courtroom, oozing the confidence of a man that was used to winning. The atmosphere in the courtroom was charged. Confidently, he sat down on the gallery, waiting for the final verdict of the court, probably, to discharge and acquit him from a 58-count charge of conspiracy to defraud an American businessman of over N3billion.

As soon as his case was called, he leapt into the dock and bellowed: “present, Mi Lord”. Nothing about him betrayed any sign of anxiety except for the gleam in his eyes. His hope at escaping the sharp claws of the law was buoyed by the erudition and brilliant submissions of his counsel who deployed all known forensic arsenal to save his client. But the major plank of his defence was a no case submission. Whereas the prosecution led by Seidu Atteh maintained that Harry Odiawa aka Abu Belgore have a case to answer. So it was down to the Judge’s appreciation of the arguments and the facts of the case.

Midway into his judgement it was obvious that not even a miracle could save Odiawa from going to prison. As it was, EFCC had proved beyond the case against Odiawa beyond reasonable doubts. At least 48 of the 58-count charge preferred against Odiawa were upheld by the judge.

The pronouncement of the trial judge, Justice Olubunmi Oyewole that “I hereby convict the accused person as charged on each of the said counts respectively,” effectively opened the prison gates for Odiawa. As the judge rose, Odiawa walked slowly out of the dock into the waiting arms of the prison officials with his head bowed. He was chained on both hands and legs and taken to the Kirikiri maximum security prisons in Lagos, for his 376 jail term, which the court said, was to run concurrently for 12 years.

Odiawa was first arraigned before the court on a 54-count charge on January 10, 2005, to which he pleaded not guilty. Subsequently,

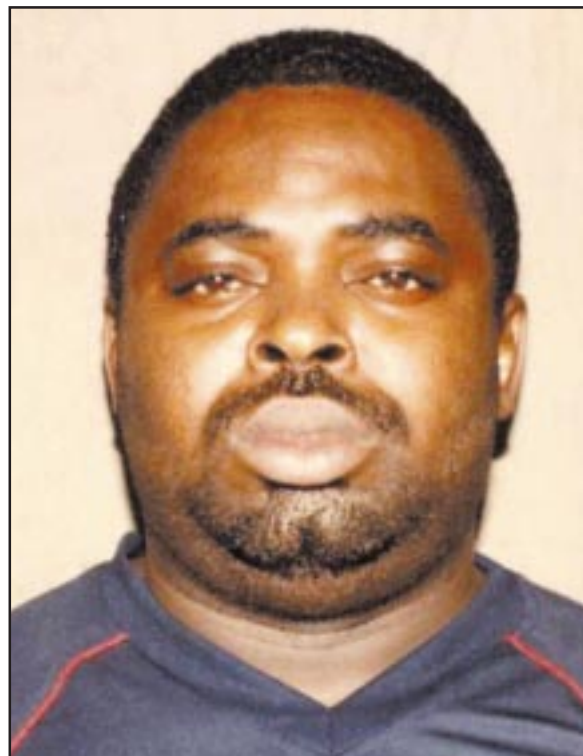
the charge was amended on a number of occasions until it became 58 counts on July 14, 2005.

Odiawa is paying the price for conning an American, George Blick and obtaining money totalling N3billion from him over period of one year, from April 2003 to August 2004. His accomplices in the mega scam, one Dr. Tunde Oni, Desmond Okoro, Mr. Sayor, Mr. Anderson and others are still at large.

To facilitate the alleged fraud, the convict allegedly forged and altered certain document, such as the Federal Ministry of Health, Supplies and General Contract; Registration Certificate from the

Corporate Affairs Commission; Federal Inland Revenue Board Tax Clearance Certificate; Certificate of Registration, Supplies and General Contract Award Certificate; as well as Quest Exploration and Development Incorporation Certificate, pretending that same were validly issued by appropriate government agencies, in breach of relevant provisions of the Advance Fee Fraud and other Related Offences Act.

Trial commenced in the matter on February 14, 2005 after the court had disposed of all interlocutory applications. In all, the prosecution called eight witnesses and tendered 120 exhibits. Blick, the victim of the scam, was the first prosecution witness to lead evidence in the matter. He told the court that he was deceived by the fraud star with a false claim of over-sea payment of \$20.5 million Federal Ministry of Health Contract sum. To secure the contract, the witness said, he parted with over N3 billion from a company, Quest Exploration and Development in which he was a co-founder and liquidated his personal assets until he was reported to the Federal Bureau of Investigation by his co-founder following which he was indicated, and



Odiawa

sentenced to a 30 months imprisonment

Also, police investigators, forensic document examiners and representatives of various organisations from which documents in support of the charge purportedly emanated, equally gave evidence in court.

The defence on the other hand called only three witnesses including the accused himself and tendered 25 exhibits.

Justice Oyewole held that the evidence of the prosecution witnesses was credible.

“I do believe the testimony of PWI (Blick) when he identified the accused by his voice as Abu Belgore involved in the fraud. PWI appeared to me, honest and sincere when he made this identification but in view of the contention of the defence, I would still relate this identification with other pieces of evidence adduced in this care, “he held” from the totality of the evidence adduced, the judge noted that there was indeed a scam to which the American businessman fell victim due to what the judge described as greed and naivety, a situation that led to his financial impoverishment and subsequent indictment and conviction for which he is presently serving prison term in the United States of America, his home country.

Satisfied that the telephone lines with which the fraud was alleged facilitated were recovered from the accused person, the court agreed with prosecution that all the payment into the coffers of the syndicates were all at the express consent of the accused with whom the victim had interacted for over a hundred times through telephone conversations, e-mails and telex.

•Sumainah is judiciary correspondent of National Interest newspaper.

“Midway into his judgement it was obvious that not even a miracle could save Odiawa from going to prison. As it was, EFCC had proved beyond the case against Odiawa beyond reasonable doubts. At least 48 of the 58-count charge preferred against Odiawa”





# Festac Town

## A haven for cyber crime

**T**he humid September afternoon sun gradually fades away. Traffic is heavy on the two main access roads to the estate as workers make their way back home after the day's job. It was 6.15pm and Festac Town, built for participants to the 2nd World Black Festival of Art and Culture and converted to a middle class settlement at the end of the fiesta in the late 70s, had come alive.

The once well paved streets are brimming with cars, some of them very expensive wonders- on -wheels that are driven by their young and affluent looking owners. Unlike most residential estates that go to sleep with the approach of dusk, Festac Town, these days, has managed to cut a weird reputation of a residential settlement that never sleeps. Infact when the rest of Lagos sleeps, Festac Town is awake.

This is strange for an estate that was designed for residential purposes. But over the years it has evolved from purely a residential settlement to quasi-business centre. This metamorphosis is evident in the number of business concerns that have mushroomed all over the place.

Among the businesses that have altered the estate's skyline are the ubiquitous cyber cafes, which were opened by discerning entrepreneurs to bring the benefits of advances in information and

computer technology to the doorsteps of ICT freaks in the neighborhood. Now, around the cyber cafes have developed a unique industry that is giving festac town a new identity and reputation. That industry is one of internet fraudsters. Though no statistic is available to back up the claim, it is safe to say that no other settlement in Lagos can compete with festac town as far as cyber crime is concerned.

The settlement regularly comes into the advance fee fraud radar of the EFCC. Indeed, youngsters in their teens or early 20s have found the settlement a natural haven for new wave of advance fee fraud in the mould of internet fraud and other cyber crimes. These genres of fraudsters who are the *nouve riches* in the area are called 'Yahoo Yahoo Boys', for their penchant to always visit the cyber cafes that dot the neighborhood to surf the net. Their life styles betray their involvement in hi-tech cyber crimes. They drive the most expensive cars; wear designer clothes and hang out in the coolest spots in the neighborhood. While the rest of the city of Lagos work at day, Festac's yahoo millionaires hang around fun spots or simply chill out in their dream homes. But once night sets in, they invade the cyber cafes in the area. Once in, they work the computers and cast their nets upon the cyber-waters.

Although most cyber cafes carry a warning against using their facilities for internet scam, the warnings are ignored. Apparently, they are not even meant to be obeyed. No operator has ever reported any of these scammers to EFCC.

The reason is simple: they get the bulk of their patronage from the scammers, Olaulu Adegbite, Head; Advance Fee Fraud unit confirms the increasing notoriety of Festac in AFF related crimes and the challenge of policing the scammers. Because the crime is cyber-based, locating the crooks is particularly difficult. In Festac, a scammer can purport to be calling a world-be victim from any major international city. Communications specialists operating clandestinely, sell foreign telephone lines to the scammers. That is not all. Lock master forgers and purveyors of such software as "e-mail extractors" which can harvest e-mail address by the millions are at the disposal of the scammers.

But EFCC is determined to check the activities of the scammers. Adegbite says the Commission has launched a major offensive against the fraudsters and cyber cafes that they use. As a result, the scammers are relocating. "We have information that they are moving out of Lagos to neighboring countries, Cotonou, Togo and Ghana. That is okay, so far as they do not operate from here", he said.

## Report on Nigeria

*Continued from page 32*

offense under the laws of a foreign country within whose jurisdiction such offense or activity would be punishable for a term exceeding one year. Section 25 states that all means of conveyance, including aircraft, vehicles, or vessels that are used or intended to be used to transport or in any manner to facilitate the transportation, sale, receipt, possession or concealment of economic or financial crimes would be punishable. Section 26 provides for circumstances under which property subject to forfeiture may be seized. Under the NDLEA act, farms on which illicit crops are cultivated can be destroyed. The banking community is cooperating with law enforcement to trace funds and seize or freeze bank accounts.

It should be noted, however, that forfeiture is currently possible only under the criminal law. There is no comparable law governing civil forfeiture, but a committee has been set up by the EFCC to draft such legislation.

Nigeria is a party to the 1988 UN Drug Convention, the UN Convention against Transnational Organized Crime, and the UN International Convention for the Suppression of the Financing of Terrorism, and it has signed the UN Convention against Corruption. The United States and Nigeria have a Mutual Legal Assistance Treaty, which entered into force in January 2003. Nigeria has signed memoranda of understanding with Russia, Iran, India, Pakistan and Uganda to

facilitate cooperation in the fight against narcotics trafficking and money laundering. Nigeria has also signed bilateral agreements for exchange of information on money laundering with South Africa, the United Kingdom, and all Commonwealth and Economic Community of West African States countries. Nigeria has been instrumental in the establishment of a permanent secretariat for the intergovernmental task force against money laundering in West Africa (GIABA). Nigeria has also ratified the African Union Convention on Preventing and Combating Corruption, which was adopted in Mozambique in July 2003.

The government of Nigeria has done a better job preventing and pursuing money laundering both within and outside the country in 2005. It should continue to engage with the FATF to ensure

that Nigeria's remaining anti-money laundering deficiencies are corrected. The Nigerian Government should continue to pursue their anti-corruption program and support both the ICPC and EFCC in their mandates to investigate and prosecute corrupt government officials and individuals, while at the same time maintaining the independence of those entities from the realm of politics. The supervision of banking and non-banking financial institutions should be strengthened and moved from the Ministry of Commerce. Nigeria should construct a comprehensive anti-money laundering regime that willingly shares information with foreign regulatory and law enforcement agencies, is capable of thwarting money laundering and terrorist financing, and conforms to all relevant international standards.



# I Go Chop Your Dollar: The Making of a '419' Musical Video

**T**he National Broadcasting Commission, NBC, on 27 June 2005, placed a broadcast ban on *I GO Chop Your Dollar*, a production of KAS Video, which featured the popular artiste, Nkem Owoh (a.k.a Osuofia). By the ban, it became a punishable offence from that date to air the music video on radio and television stations in Nigeria.

The ban came on the heels of a protest by EFCC that the musical tended to deodorize and glamorize advance fee fraud (also known as 419).

EFCC's petition sent June 10 2005, to NBC and signed by the Commission's Head of Media and Publicity, Osita Nwajah, drew the attention of the broadcast media regulatory authority to the deleterious effect of the musical on the war on advance fee fraud.

EFCC informed the NBC of the negative impact of advance fee fraud on Nigeria's image abroad, and that the Commission has been waging a determined war against the scourge, since it was inaugurated in 2003.

The war has resulted in the arrest, trial and conviction of over 30 advance fee fraudsters, including **Amaka Anajemba**, and **Emmanuel Nwude**, two of the perpetrators of the world's biggest

419 scam involving the duping of Banco Noreste of Brazil of **\$242million**.

The efforts of the Commission have earned worldwide recognition and support. Owoh's musical video was therefore a

serious drawback on the campaign against 419, considering that he is an immensely popular and highly-sought after artiste.

The NBC, while acknowledging EFCC's concern, informed that the broadcast regulatory authority had prior to the complaint, "Commenced a compilation of all offensive musicals preparatory to placing a comprehensive broadcast ban on these musicals in all broadcast stations –whether radio or television – throughout Nigeria."

Consequent on the conclusion of its

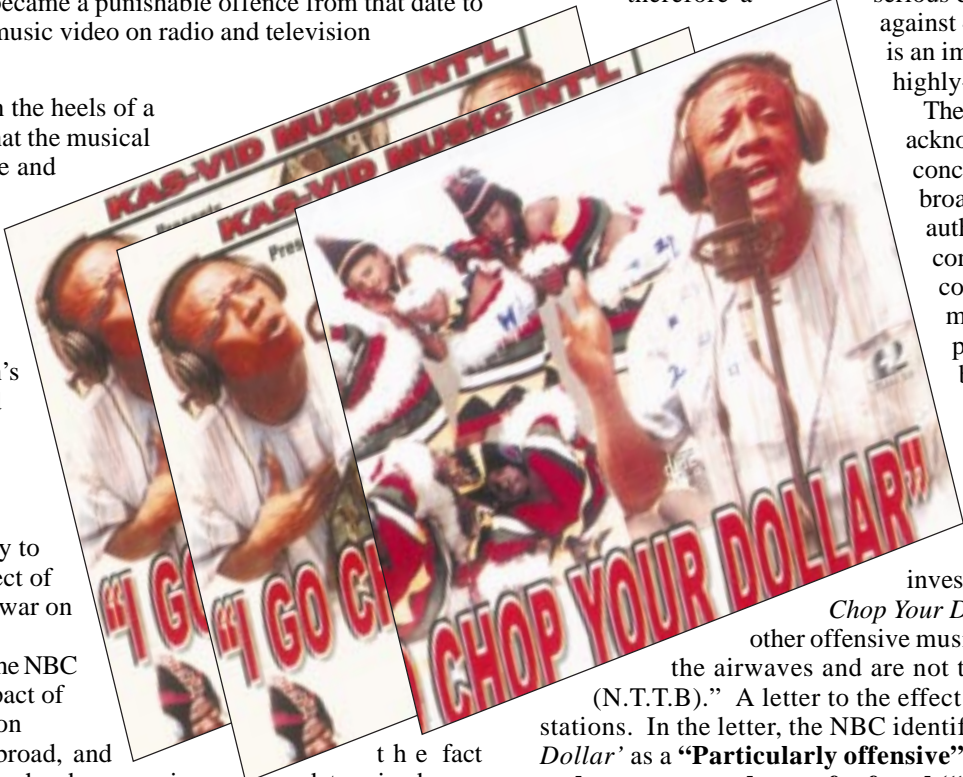
investigations, Owoh's *'I GO*

*Chop Your Dollar'* along with some

other offensive musicals, were "Banned from

the airwaves and are not to be broadcast

(N.T.T.B)." A letter to the effect was sent to all broadcast stations. In the letter, the NBC identified *'I GO Chop Your Dollar'* as a "**Particularly offensive**" musical "**as it glorifies and encourages advance fee fraud ('419 ...is just a game...')**" NBC was convinced that the musical "**Is an affront to, and a total negation of this country's current fight against the crime of 419 and obtaining money under false pretences.'**"



“*'I Go Chop Your Dollar'* along with some other offensive musicals, were “Banned from the airwaves and are not to be broadcast (N.T.T.B).” A letter to the effect was sent to all broadcast stations



# I Did it for the Money — Osuofia



**Q:** *Your role in the movie, **The masters** and its soundtrack, **I go chop your dollar** tended to send the wrong message about*

*advance fee fraud otherwise called 419. Were you conscious of this effect in accepting the lead role in the flick?*

I don't think **I go chop your dollar** affected people negatively. On the contrary I think it exposed the trade secrets of the 419ers to the society. You know, after doing **The Masters**, people were telling me that 419ers were going to kill me for revealing the secret of their trade, so to speak. They said they will kill me, they will maim me. But I said no; let me take the risk because we have to expose the way they work, the way they talk and other mannerisms. So we penned the sound track. Luckily there are people who liked the sound track, just as there are others who don't.

In fact soon after the work was released some people telephoned to ask why I did that to them. One particular caller said, is that *Osuofia*? I replied, yes. He said

'Be careful; we saw what you did in **The Masters**, be careful!' And he hung up!

But I don't attach any importance to the role I played in the film. If somebody asks me why I did it, I will tell the person that it was for money.

**Q:** *So as far as you are concerned it was just another role that will put food on your table?*

No, I actually acted according to the script. Before I accept any script now I have to look at it, I have to look at the message behind it. I don't just accept a role for the sake of it. There was a time that I was just doing things for entertainment only. But now I look at the underlining message.

**Q:** *What messages were you trying to pass across in **I go chop your dollar**?*

It wasn't exactly my idea. Some people approached me with the concept. I looked at it and said this thing might send the wrong signal but the law says you must warn viewers. That was why, if you watch the movie, at the end I sat down and said, 'Don't put your hand into this because if you do, EFCC will grab you'.

**Q:** *After watching the film, one would find it hard to believe that you have not*

*been a 419er in real life. Did you at any point in time ply the trade or received special tutorials from a professional scammer?*

A lot of people ask me the same question. In fact there was a time I was acting drunk, people were saying that this man must be a drunkard. At another time I acted pick pocket, and some people said, look my friend you must have been doing this business. There was even one where I acted a priest and people said 'so you can do this thing like this, why don't you go and set up a church?' It is just a matter of talent. I am somebody who looks at society and take interest in happenings around me.

**Q:** *Have you at any time been victim of 419?*

No, and I don't pray to be one.

**Q:** *Do you have friends who are or were into the trade?*

No, you see you don't go asking your friends if they are into 419?

**Q:** *But you will know if you have a friend that is into 419scams?*

You will not know, you can only suspect. But being the kind of person that I am, I don't think I can associate with 419ers. In



“  
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 that we have in  
 our society and it  
 is unfortunate.  
 ”



• Osuofia

any case, their kind of money is not the kind that I am looking for. I want to leave footprints on the sands of time.

*Q: Your role in the movie that we have been talking about elicited two contrasting reactions: outrage from a segment of the society and anger from scammers. Was this a kind of dilemma to you?*

No. People are free to express their opinions. At times I might finish acting a film and somebody would come and say look I don't like this film that you acted. Another person may say 'ah this film you acted was fantastic'. It is just a matter of perception.

*Q: But against the background of this reaction if you have the opportunity to do the movie all over again would you accept the script?*

A: If I am given any role, I play it to the best of my abilities, even if it is a role that is controversial. For instance people know what 419 is all about, people talk about it and I happen to have seen how 419 wrecked peoples lives.

*Q: But the question is given the benefit of hindsight would you still accept a role similar to the one that you acted in I go chop your dollar?*

I don't think I see anything bad in that role. I might be wrong but it is the way I look at things. Somebody has got to expose the ills of the society.

*Q: Is it purely a case of moral crusading or pecuniary considerations takes precedence?*

No, material consideration doesn't come first. You know what I do, you give me your

script, and I look at it. If it is a script that interests me I would accept it, then we would now begin to negotiate payment. If material consideration was to be the only determining factor I will collect money before even looking at the script and I will just do any thing and go.

*Q: Outside acting, how do you as a citizen feel about the scourge of 419?*

Do you expect me to say that I like 419? It is one of the ills of the society and there is nobody that will feel happy about it except that person is a 419er. It is one of the negative things that we have in our society and it is unfortunate.

*Q: You will recall that following the complaint by the EFCC, the National Broadcasting Commission, NBC banned the broadcast of the movie soundtrack, I go chop your dollar on the Nigerian air waves. What was your reaction to the development?*

I only read about it in the newspapers. What I think should have happened was to sample opinion; if the film is portraying 419 in the negative sense it should be encouraged. But if it is supporting 419, of course it could be banned.

*Q: As actors and actresses you people are supposed to be role models but you find a situation where your lifestyles, both on and off the screen, do not positively inspire the people.*

It is the fault of the society. You know why? A lot of things happen in this country that people close their eyes to and everybody thinks that anything goes. If I am doing a film that is supposed to be

teaching a lesson and you are not grabbing the lesson, and you are just looking at the entertainment that is bound to happen. Most of the things that we do are the things that happen in the society but we get a lot of attention because we happen to be in the limelight. Because we are in front of the camera anything we do have a lot of influence on the society. That is why actresses and actors have to be very careful about what they do both on and off camera.

*Q: Considering the pool of talents in the Nigerian movie industry, how can the industry be harnessed to advance the objectives of the anti corruption campaign?*

The industry can help if EFCC can support us, it might not necessarily be financial. You see there are inhibitions in fighting corruption especially through movies which people outside do not appreciate. For instance before any one will shoot a movie exposing corruption especially in government, he will have to ask himself the question whether he wants to do a film that the Censors Board will reject because everybody on the board and the Cultural Council want to protect their jobs. So when you write anything that exposes the ills in government they will not pass it. Indeed that is a no-go area. Such attitude stifles creativity and it is a major inhibition to fighting corruption.

If EFCC is desirous of tapping the resources of the industry to pass across the anti-corruption message it must be prepared to protect our investment against the warped prejudices of misguided officials.

# EFCC Operations



Lagos Operations Office

■ By The ZT Team ■

**T**he epicenter of EFCC operations is undoubtedly Lagos, the financial capital of Nigeria which also accounts for more than 80 percent of cases handled by the Commission. The Commission maintains two offices in the city. Both are located in Ikoyi. The main office at 15A Awolowo Road occupies a three storey building which houses all the major units of the commission. Some of the departments that can be found at Awolowo Road include operations, administration, finance and accounts, legal, works, media and transportation.

Until mid last year, the expansive premises of the Awolowo Road office equally served as garage for most of the exotic cars impounded from financial crimes suspects. But a temporary car park was secured recently at the former CVU premises, Ikoyi, Lagos.

The other Ikoyi office of the agency is located at 7, Okotie-Eboh Street. The one storey colonial-style building used to be the operational base of the defunct Presidential Committee on Financial Crimes. Unlike Awolowo Road which has a full complement of EFCC staff, only officials in operations, specifically the Bank Fraud Unit headed by Mr. Mohammed Wakili, CSP can be found at the Okotie-Eboh office. Behind the

main building at Okotie-Eboh are two structures which serve as temporary detention facilities for awaiting trial suspects.

The head of Lagos operations is the Director of operations, Mr. Ibrahim Lamorde, an assistant commissioner of police. He oversees both the investigation and administrative functions of the commission. What this means is that both operatives and heads of supportive units report directly to him.

However the core of activities at the Lagos office is the operations department. The section is saddled with the responsibility of investigating all cases of economic and financial crime not only in Lagos but through out the federation. Officers of the department are organized into sections, with each section assigned the responsibility of dealing with specific area of economic or financial crime. These are Advance Fee Fraud, Bank Fraud, Economic Governance and General Investigation.

Each section is headed by an officer of the rank of Chief Superintendent of Police, CSP. The size of each section varies depending on the amount of cases generated. Members of particular section report to the sectional head who, in turn report to the director of operations who is answerable to the Executive Chairman, Mallam Nuhu Ribadu.

The Advance Fee Fraud, AFF unit is headed by Mr. Olaolu



Adegbite, SP. He supervises ten sub teams within the unit. The Economic Governance unit has Mr. Ibrahim Magu, CSP as team leader. Mr. Mohammed Wakili, CSP heads the Bank Fraud unit while Mr. Umar Sanda, CSP is in charge of General Investigation unit, which also have Mr. Ayo Ajala, CSP leading a sub unit.

Between these teams revolve the arduous task of investigating the armada of cases reported to the Commission. The sectional heads provide insight into the activities of their respective units. According to Adegbite, “In AFF, we investigate advance fee fraud cases, cyber crime related cases, credit card scams, local 419 and several others”. He explained that over 370 cases, mostly from foreign victims are being handled by the unit. Most of these cases are still under investigation. Several are with the legal department, some are before the courts. “And by the grace of God we are getting convictions.”

“The major challenge that we are facing right now is the mindset of suspects. We are dealing with adaptive adversaries. As soon as we are devising new methods and they are aware that this is our *modus operandi*; they adapt and create new strategies”, he said.

On his part, Sanda says General Investigation handle matters that are outside the purview of advance fee fraud, bank fraud and economic governance. So far over 100 cases are at different stages of investigation by the unit. “But the most prominent case that we have handled is the Amaka Anajemba and Emmanuel Nwude case in which a Brazilian bank was duped of \$242 million. I am pleased to say that we have secured conviction on this case. The accused recently pleaded guilty to charges of obtaining under false pretence and were sentenced to various terms of imprisonment,” he said.

In the same vein, Magu informs that EG is in the vanguard of ensuring greater transparency in public contracting and procurement processes. “Mostly we deal with public corruption cases and contract scams; particularly government contracts to ensure due process is followed and determine that contractors actually performed for payment received. We have handled many cases. We handled the Joshua Dariye, the Fabian Osuji and Adolphus Wabara case. We investigated the Tafa Balogun case,” he said.

The Bank Fraud Unit under the supervision of Waikili is

## We Have Earned the Respect of Law Enforcement Agencies around the World — Lamorde



*What would you consider the major operational challenges over the last three years of EFCC's existence?*

The initial difficulty that we encountered when we started was the fact that we were a new organization and people did not know us. People were only used to the existing law enforcement agencies and there were instances when people even resisted arrest saying they didn't know what EFCC was all about. That created some initial problems. However, the Executive Chairman got the police authorities to write letters to all police formations throughout the country, informing them of the existence of the Commission and asking them to extend maximum cooperation to us. And the measure we adopted at that time, which we still employ up till now, was to make sure that we report to the nearest police station in any place we want to carry out an operation. We let the DPO of that area know if it is within Lagos. Outside Lagos, we get a letter to the Commissioner of Police in charge of the State to inform him of our presence and areas of operation.

Apart from that, like any other young organization we have problem of logistics, but we got some assistance from the police who gave us some vehicles in addition to the two we inherited from the National Committee on Financial Crimes.

There was also this problem of getting assistance from other parts of the world. By the nature of the functions of the

commission, and the type of crimes that we are charged with the responsibility of addressing, the cooperation of law enforcement agencies across the world is vital. But, EFCC was a new agency, they also didn't know anything about us –whether we were a police force, or some other kind of body. The Chairman had to attend lots of meetings and other international engagements to generate the desired awareness. And also the Interpol, were of tremendous assistance in helping to disseminate information about the existence of the Commission and encouraging other law enforcement agencies all over

the world to interact with us. In addition to that, the local representatives of some of these international agencies here in Nigeria assisted us tremendously.

***Q: Some Nigerians have identified certain individuals who they believe are corrupt and they allege that EFCC does not seem interested in such persons.***

When people say selective prosecution of cases or persecution, I don't really understand what they mean. What is selective in the work that we are doing? In fact the public officials that have been affected by our activities are people that are directly related to the government in power. You know whatever you do in this world, people will read meanings into it and



• Lamorde

insinuations will be made. But that should not deter people from doing what they are supposed to be doing. When people say selective prosecution, I want examples. If you are talking about the investigation in Plateau or Bayelsa state, these are all PDP states. They are not AD or ANPP controlled. If you are talking about the ministers, they were appointees of Mr. President and some of the other public officials and persons in the private sector were known personal friends of Mr. President.

Those apart, I also want people to appreciate the fact that one, we are new; two, we are still very small; three, one case involving a public office holder can take one



# Abuja Operations

responsible for the investigation of cases of fraud and money laundering in the banking sector. To this unit can be ascribed the success which the Commission has recorded in the investigation of fraud and insider abuse of all dimension in the banking industry. The unit's effort is complemented by those of officers seconded to the Commission by the Central Bank of Nigeria, CBN, the Security and Exchange Commission, SEC and the Nigeria Deposit Insurance Corporation, NDIC. The expertise of these adjunct staff have been invaluable to the commission's assignment.

A new unit is being created from the Bank Fraud Unit to deal with capital market fraud, especially equity scams.

At the moment the units are barely able to cope with the deluge of cases, owing largely to resource constraints. A common complaint by the unit head is the dearth of manpower. This is not unexpected given that the commission is only three years old. However with the recent integration of 117 trained cadets from the Commission's training school into the system respite may have come.

Each of the units has sub teams that are also headed by officers of the rank of SP or below.

**T**he Operations Unit in Abuja is always a beehive of activities. Commonly referred to as the 'villa', the unit operates from a 2-wing storey building located at No.2 Ibrahim Taiwo Street, Aso Villa, Abuja. Mallam Bala Ciroma, Chief Superintendent of Police, CSP, heads the unit. He reports directly to the Director of Operations who is based in Lagos. The organizational and operations structure of the unit is a replica of the Lagos Operations.

The unit is organized into four broad sections: Bank Fraud, Advance Fee Fraud, Economic Governance and General Investigation. The sections are further broken into teams, each supervised by a team leader. The Bank Fraud Unit handles banking and related financial crimes, while the Advance Fee Fraud Unit has responsibility for the investigation of 419 scams, internet fraud and cyber crimes. The Economic Governance Unit deal mostly with cases of fraud in government establishments, while General Investigation concerns itself with sundry investigations, including matters that fall within the competence of the other units but which, perhaps due to their loaded

year or more to conclude investigation, just for the enormity of the work you need to prove your case. That is one. Secondly, public officials, especially state governors have a lot of things and because of this immunity thing, getting certain information becomes very difficult. If you look at the two cases involving governors, that of Bayelsa and Plateau state, you would find they have something in common. Both of them were arrested in London which means that a lot of information was passed on from the outside to this country. Work must have been done from the outside that gave clue to most or some of the things they did within.

**Q: We have seen a rising level of cooperation in the past one year with law enforcement agencies in Europe and America. To what do we owe this?**

First and foremost, there was the initial assistance we had from Interpol in letting people know that we are there. Secondly, the chairman took his time to go round and let people know of our existence. But most importantly, it is our work that has helped to put us in a position that other law enforcement agencies around the world now want to do business with us. It is about credibility. Nobody wants to work with you if they know for instance that you are inefficient, unproductive and above all, that you cannot be trusted. The whole essence of cooperation between individuals or organizations, local or foreign, is the exchange of information. If I cannot trust you, I cannot have anything to do with you. It is as simple as that. International law enforcement agencies have over the years developed an impression about Nigeria. They don't trust us; they believe that we would sell any information given to us and compromise their investigation over there.

But we did some few cases with them and they realized that they could trust us. One, they can trust us with the information that they give to us; two, they know that we will do the work; three, they know that we will

give them the result within the shortest possible time. They have come here and we have also worked with them abroad. They have requested some of our officers to go across Europe and America. We have done cases with them, high profile cases involving hundreds of millions of dollars and they know that not even a cent was taken by any of our operatives. Nobody compromised and the work was done properly.

Based on these, they have come to realize that they can work with us. So this is why you find that we are getting this kind of cooperation. And locally here, most of these agencies have representation in the country, they monitor what is happening, they look at all of us, they observe what is happening and from their interaction locally they form their opinions. But I can tell you that we are receiving tremendous respect and cooperation from law enforcement outfits all over the world.

**Q: Integrity is the watchword of EFCC, but how have you managed to safeguard and sustain the integrity of operatives who are out there in the field and face temptations from some of those they are investigating?**

The moment you lose the battle of integrity you have lost everything. The most fundamental thing about this job that we are doing is the issue of the integrity of this organization and that of the people who work here. In EFCC, there is zero tolerance for corruption and this has been made very

clear to all the people that have been brought in to work with us. The chairman normally gives new employee a kind of orientation lecture, telling them the dos and don'ts especially when it comes to issues of integrity and corruption.

There are no two ways to it, we don't condone corruption. And what we do is that we take decisive action at the slightest suspicion that someone is heading in the wrong direction. We don't need to confirm, suspicion is enough to deal with the situation. The mere fact that we suspect an individual is having some corrupt tendencies or we have complaints, even though unsubstantiated, but circumstantially there are indications that compromised integrity is a likely possibility, we do away with such individuals. And if there is a confirmed case of corruption –we are yet to get any – anybody found involved would be prosecuted.

There is no point in working with somebody that you don't have confidence in. Once we can no longer trust you, there is no point in having you around. We have asked a lot of people to go. Some are protesting their innocence. It is unfortunate, but that is the situation. Once the circumstance indicates suspicion of corruption you cannot be part of the work that we do here.

Moreover, we have developed an internal mechanism to sustain the integrity of our operatives. We have in place, an

“ I want people to appreciate the fact that one, we are new; two, we are still very small; three, one case involving a public office holder can take one year or more to conclude investigation ”



schedule, they are not able to handle.

Speaking on their mode of operation, Ciroma explained that petitions are usually referred to the unit by the Executive Chairman. And for administrative convenience matters that are frequently handled by the unit are the ones emanating from Abuja and the neighbouring states. On receiving the petitions, investigation machineries are set in motion with cases assigned to specific teams. The outcome of an investigation is distilled into a report that is then forwarded to the Executive Chairman and the Director of Operations for recommendation and advice.

Considering the number of petitions that are received daily at the Commission's headquarters, it is a mystery how the Operations Unit is able to cope. Ciroma says this was a challenge at the onset but assured that the pressure had eased with the coming on board of the cadet officers. Nevertheless, he recalled that the unit at inception had to grapple with serious problem of logistics, including the lack of operation vehicles and inadequate office space. Added to this was the difficulty in accessing information in government establishments. However, he was quick to point out that the problem of access had eased especially with the realization that withholding information from the Commission was a serious offence under the EFCC Act. Ciroma declared that in spite of the initial constraints the unit has handled 335 cases since inception. Currently, over 100 cases are in court while a number of convictions have been recorded.

# Port Harcourt Operations

Every office of the Economic and Financial Crimes Commission, EFCC is considered strategic to the overall objective of the commission, which is to combat economic and financial crime. The zonal office in Port Harcourt, Rivers state is one of such office. Since it was opened about one and half years ago, it has managed to attract a level of attention that belies its size. Available records indicate that over 300 cases were reported which resulted in 252 arrests and over a dozen convictions.

The zonal office is located in serene old GRA, Port Harcourt at No.6A, Olumeni Street, off Forces Avenue. For a first time visitor, locating the office might be a little difficult. From Olumeni Street, it takes about two minutes walk through a snaky driveway to link the office. The short walk takes the visitor through two major gates all of which gives the office a secured ambience. A huge black gate finally admits the visitor into the premises. Beside the gate is the quarter-guard which the contingent of mobile policemen attached to the commission use as office. The not-

integrity department which is not known to people not even to the operatives. There are people working here whose job it is to observe and monitor the operatives. They go out on operations with the operatives but they report back. Some of them are not even known to me. But I know that they exist and I know their head who reports directly to the Executive Chairman. It is only on occasion when the chairman wants me to see a particular report that he refers it to me.

We had to put these things in place to ensure that things are done properly. You are being observed, I am being observed, and everyone is being observed. This the only way we can check cases of corruption because most times, they are very difficult to prove except in rare cases where you have one of the participants coming forward.

**Q: Some Nigerians have expressed frustration that EFCC is not handling as many cases as they would have wanted. How do you react to this?**

It is unfortunate that people complain that their complaints and petitions are being rejected. I will also want people to appreciate the fact that we are not only new but few. At the moment we have only

three operations offices in the country: Lagos, Abuja and Port Harcourt. Lagos is the biggest operations office. It has more men, more cases and more responsibilities. Of course this is a natural consequence of the setting of the country. Lagos being the financial capital of the nation you have lots of things happening. But even here in Lagos, when you look at the operations department, how many operatives do we have? In the whole country we have less than 500 operatives doing this work for us. And on daily basis, we receive nothing less than 300 complaints both through direct petitions submitted at our office and through e-mails. And we also receive complaints from various missions in the country; the United States, Canadian, British, German and all the other embassies. There are also submissions from the government, including those from Nigerian missions abroad.

We have to prioritize. We cannot be a substitute to the police station. People have arguments with their girlfriend and they want the EFCC to come in; somebody is passing in front of a residence and dog bite him, he wants to report the owner of the dog to EFCC. Mundane cases that are so frivolous are being brought to EFCC. But

that is not why we are here. We cannot handle cases such as these. May be in the future when we have offices all over the place and we have expanded.

At the moment, we select only cases that we know are of national and international consequence; cases that when we do it, will help to improve the image of this country, make people understand what EFCC is doing and encourage foreign investors to come into Nigeria. That is why we give priority to some of the foreign cases because the image of the country is at stake. The economy of the country is down and we need people to come and people have refused to come because they feel their investments are not safe. We want to tell the whole world that these investments are safe. We also want to tell the world that not all Nigerians are criminals. And the only way we can prove this is to make everyone see that we do not protect our people who are proven to be bad.

Locally, we also want people to understand that you cannot commit any crime and get away with it, especially if you go into public office just for the sole purpose of making money. If you want to make money, do business. If you want to go into public office, go and serve.

**Q: Is it only cases involving billions of naira or top people in the society that are accepted for investigation by EFCC?**

No! Let me give you some instances. There are cases that we have investigated where no money is lost. Some cases are of interest to us. One, may be it is a new trend in criminal enterprise and we want to nip it in the bud or we want to understand the concept, how it is done and then identify the perpetrators and stop it before it escalates and becomes another national problem. We take such cases. Again we have cases where people tend to compromise the integrity of certain

*We have developed an internal mechanism to sustain the integrity of our operatives. We have in place, an integrity department which is not known to people not even to the operatives. There are people working here whose job it is to observe and monitor the operatives. They go out on operations with the operatives but they report back*





too- expansive compound is fenced in by a high wall secured with security wire. The compound is neat and well paved with interlocking stones.

Unfortunately the compound is almost taken over by exotic cars, most of them Sports Utility Vehicles impounded from suspected fraudsters. Directly facing the entrance is the one-storey white edifice which houses all the units and offices in Port Harcourt. Though not imposing, the building is inviting and very functional. The offices boast of decent but simple furnishing and equipment. The combination of grey coloured window blinds and white coated walls give the offices a pleasurable aura of comfort.

To the left of the main building is a cell constructed recently to house suspects who hitherto were kept in police custody. The well-secured facility boasts of vital conveniences such as bathroom and toilet. It is equally well ventilated, with a number of wall fans to complement the natural ventilation.

Indeed the decision to open the office in the first instance was premised on the volume of very important cases emanating from the zone as well as a felt need to protect the nation's vital economic interest in the area. Of course, the Niger Delta region is the heart of the country's oil industry which is the bulwark of the nation's economy. It is also not a coincidence that the region accounts for most incidences of crude oil theft which is known in local parlance as illegal bunkering as well as vandalism of oil pipelines.

The office ensures regular patrols and security surveillance of pipelines and other oil installations, which have brought about a marked drop in the incidence of destruction of pipelines. The reduction is a major respite to the economy which had suffered so much in the hands of vandals.

The saving to the nation's economy arising from the commission's activities is difficult to quantify. But suffice it to say that as at August, 2005 the office had recovered and released over a billion naira to various complainants. But beyond the cash recoveries, the commission's presence in the region has become a major deterrence to criminals who hitherto operated with impunity. "The strategy is not only to apprehend but to prevent the vandalism and destruction of properties that would cost millions of dollars to replace. This has saved billions of naira for the federal government.

All this, the commission has been able to achieve through a collaborative strategy involving other security agencies and stakeholders in the oil industry. One of such platforms is the security forum that enables the sharing of intelligence information between the commission and representatives of the Nigerian Navy, the Nigerian Army, as well as officials of Shell Petroleum Development Company, SPDC. Such collaboration is imperative in view of the increasing sophistication of the crime of bunkering, terrorism and the difficult environment which requires the specialized skills of all the security agencies for effective law enforcement.

Two major challenges which the office faces in policing the economic region of the Niger Delta are the dearth of relevant equipment and insufficient manpower, both of which are already being addressed.

In the face of the daunting challenges what this EFCC operations outpost, and indeed all of EFCC have going for it, is the 'can do' spirit of the operatives.

“*At the moment, we select only cases that we know are of national and international consequence; cases that when we do it, will help to improve the image of this country*”

government departments. Whether there is money lost or not we get involved. We are all familiar with the classical 419 cases and the damage that they have done to this country. Every where you go in this world, Nigerians are treated with a lot of suspicion. Nobody wants to do business with us, because of suspicion based on previous experience with some compatriots and the perception that most business proposals from Nigerian are scams.

So we take all of these into consideration before we take up such matters. The point that needs emphasizing here is that it is humanly impossible for now, for EFCC to take up all the cases being referred to us. And I think that people should be encouraged to report their cases to the police. The police stations are there for all of us.

**Q: As a citizen or foreigner living in Nigeria, do I need to know anybody in EFCC before I can report a matter and get the required attention?**

Absolutely not. We actually discourage people from coming here. We do not have to know who you are before we take your matter. What you do is come, submit your petition and go. The merit of your petition will determine whether EFCC will handle your matter or not.

**Q: How do you ensure the safety of your men in such volatile situations as was the case recently in Jos, Plateau State when operatives were manhandled by agents of**

**the governor, Mr. Joshua Dariye?**

We deal with situations as they come. In the Plateau situation, when the men got there, they went to inform the Police command in the State of their presence and mission. The Commissioner of Police gave them additional men to give them protection. I think we should commend the composure of our men. They were armed and anything could have happened. If they had tried to defend themselves with the arms we would have been talking about a different situation. A lot of lives would have been lost. It requires a lot of maturity on the part of an armed person to be assaulted and then refuse to use the arms he or she is bearing. Our men suffered physical injuries. One of them had to be hospitalized at the Jos University Teaching Hospital. Four others were treated for various degrees of injuries. If we were lawless as the governor was on that day, it would have been an entirely different story.

**Q: Are you frustrated by the outcome of the operation in Plateau state?**

I am not frustrated at all. We are doing what we are supposed to do, we are taking steps that we feel is just and right according to the provisions of the law and we know that justice will prevail. It may not happen today or tomorrow but ultimately it would be done.

•Lamorde is EFCC's Director of Operations

**STRUCTURE**

The began as a special duties centre and operated as such until recently when formal administrative and operations structure are being installed. Operatives in the zone are organized into teams cloned after the Lagos operations, with each assigned a special branch of investigation which makes for specialization. There are five such teams. Team 'A' is the anti-fraud group, while Team 'B' deals with economic governance. Team 'C' is in charge of bank fraud, while Team 'D' covers general investigation. Team 'E' has responsibility for cases bordering on economic sabotage and related offences.

At the helm of the zonal operations, is the director of operations, Mr. Ibrahim Lamorde. All team leaders report to him.

Outside of operations and transportation, the other units of the commission are not fully represented in the Port Harcourt office. The other exception is the administration department which has one staff on ground in the zone. The absence of both the legal and accounts departments in the zone, for a long time was a major handicap as operatives had to regularly send case files to Abuja for legal advice. This was a major clog for expeditious arraignment of suspects. However respite appears to have come as the legal unit is now fully represented in the Port Harcourt office.



# EFCC Cadet Officers Course 1: A Reminiscence

By Abubakar Mohammed Sadiu

**T**owards the end of my national youth service a new chapter in the fight against corruption and financial crimes was opened. A new but vibrant agency was created and vested with powers to tackle economic and financial crimes. The day I first saw the executive chairman of the EFCC on NTA Network News addressing the press on the arrest of the suspects of the \$242m scam, I prayed to God to make it possible for me to join the sleaze busters and contribute my quota. Fortunately, the angels chorused amen and I was offered an appointment along with 99 other young Nigerians as cadet officers of the EFCC effective 1st December, 2004. We all waited with bated breaths for the take off of the training course. As the EFCC's Training and Research Institute, Karu, Abuja was not yet ready, an alternative arrangement had to be made. In the interim, we were treated to several induction sessions, attachment, and so on at the Abuja Headquarters of the EFCC.

On January 28, 2005 Mr. Abiodun Odude who was going to be the course coordinator announced to us that the course would commence on 13th February, 2005 at the Police College, Ikeja, Lagos. Having done my NYSC at the Police Academy, Kano at a time when police cadets were on training, I could imagine what to expect at the PCI.

However the experience of my six months stay at the PCI turned out to be beyond my imagination.

On the 13th February, 2005 all the 117 pioneer officers (some old EFCC staff had been added to our number) arrived the PCI full of excitement and expectations. This was the college where the executive chairman and other key officers of the EFCC trained as police officers. That day we were allocated rooms in the Advance Training Wing Hostel of the college. Movement into the hostels signaled the commencement of the course activities.

The next day we were taken round the college for local knowledge. We were later syndicated into four squads with an average strength of 29 cadets and a squad leader each. A provost and the General No. 1 (akin to a Labour prefect and the Head boy in a secondary school, respectively) were also appointed.

On 16th February, the course was officially opened. Immediately after the ceremony, Mr. Ibrahim Lamorde EFCC's Director of Operations delivered a lecture entitled 'EFCC as an Organization'. That lecture heralded the commencement of serious academic activities. From French to Psychology, Forensic Accounting to Law of Evidence, Techniques of interrogation to Care and Custody of Prisoners to the term paper that each cadet officer had to write, the academic content of the course can match a post-graduate course in any institution in Nigeria or abroad.

However if the academic aspect of the

course appeared familiar, the physical training was a new and exciting experience. The parade and the drills under the scorching sun and clad in shorts was an experience many of us obviously did not bargain for. Nonetheless, with the sense of humour of the chief instructor, Mr. Igbiniedion (a.k.a. Chaka Chaka) and with passage of time, we all became accustomed to it.

Another thing many of us had difficulties in overcoming was the Provost's whistle. He would disturb your sleep at 5:00a.m for morning exercise or at the wee hours of 2-3am anytime Mr. Umar Sanda came on a surprise check. The mention of Mr. Sanda's name sent shivers down the spines of cadet officers, for if you were found wanting, the punishment was always predictable: you cool your feet at the quarter guard cell for a night or a day depending on the time of your 'arrest' and 'con-



Cadets in training at the Sea School, Apapa

Learning the ropes

Cadets during march past

Ribadu, Gyans, Babu, Custodian boss, Oba of Lagos

viction'. Heartily, we've now found out that he is one of the friendliest superior officers. A typical day during the training start at 5:30am for physical exercise, 7:00-7:45am Breakfast 8:00-9:00am muster parade; 9:00-10:00 drills; 10:00-11:00am lectures; 11:00-11:30am Break; 11:30-12:30 and 12:30-1:30pm lectures; 2:00-3:00pm Lunch; 4:30-5:30pm sports; 7:00-8:00pm dinner; 8:30-9:00pm tattoo parade 10:00pm light out.

It is worthy of note that the three square meals were taken by everybody at the cafeteria. The cafeteria and the common rooms were modestly furnished, thanks to EFCC's renovation and refurbishments of the decaying buildings and facilities at the PCI. Therefore, leisure and welfare wise, the course was near perfect by most standards. Sports also added flavor to the course for it served as a stress reliever. During the sports period we were also introduced to self defense techniques, karate and aerobics at the college's gym. Competitions in football and other games were occasionally held among the four squads.

After three month of intensive training, came mid-course examinations.

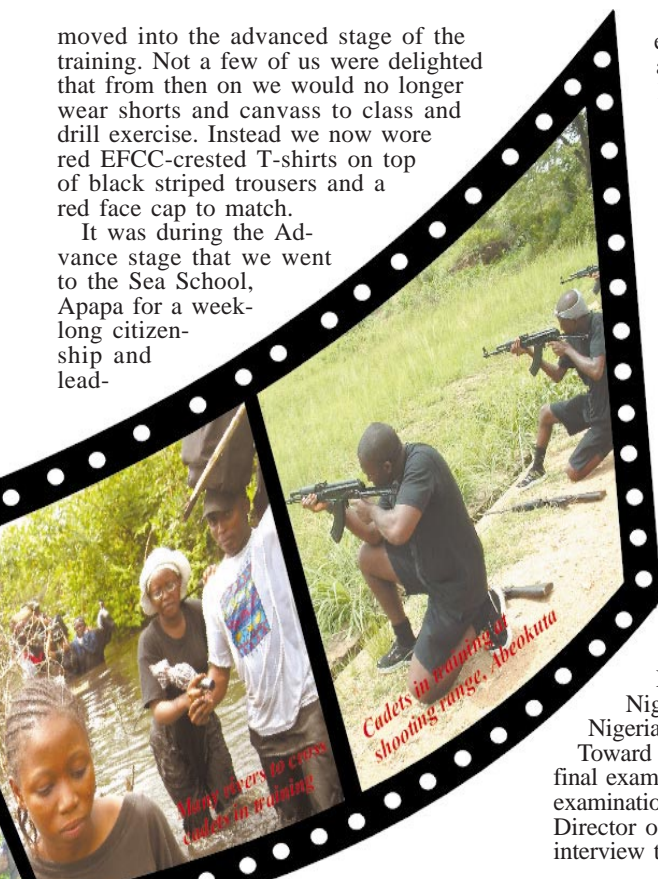
Immediately after the mid-course exams, we went to the shooting range at Abeokuta, Ogun state for a two day shooting exercise.

On our return from the range exercise, we



moved into the advanced stage of the training. Not a few of us were delighted that from then on we would no longer wear shorts and canvass to class and drill exercise. Instead we now wore red EFCC-crested T-shirts on top of black striped trousers and a red face cap to match.

It was during the Advance stage that we went to the Sea School, Apapa for a week-long citizenship and lead-



ership training. Various exciting and educative activities were lined up. They included lectures, study groups, Man O' War training, swimming exercise, map reading and the creek scheme to the Badagry creeks through Ibeshe beach. The sea school experience further strengthened the camaraderie amongst officers. Here were 117 young men and women from all parts of the federation with varying backgrounds and cultures living together as biological siblings. It was a remarkable sight to behold.

Next, we took a week-long visitation to the officers of some relevant agencies to learn first-hand how they work and how their work could complement EFCC's. We thus went to the Central Bank of Nigeria (CBN), Securities and Exchange Commission (SEC), Nigerian Customs Service, the Nigerian Ports Authority and the Nigerian Police.

Toward the end of July, 2005 we took the final examination. On 1st August, 2005 an examination Board headed by the EFCC Director of Operations conducted oral interview to all the cadet officers. The

interview was meant to assess the suitability of the prospective officers to work for the EFCC as operatives. The interview also afforded the Board the opportunity of correlating its own assessment with the results of the written exams. After the interviews, 12th August, 2005 was set for the passing out parade of the first set of officers trained by the EFCC.

On the eve of the passing out parade, a cocktail party was organized in honour of the graduating officers. It was colourful, with the Speaker of the House of Representatives, Aminu Masari, the Inspector General of Police, Sunday Ehindero, the Oba of Lagos, Rilwan Akiolu, and the host, EFCC chairman, Mallam Nuhu Ribadu in attendance.

The following day was a day of joy for all and sundry: the graduating officers and their loved ones, the EFCC and its directing staff at the training camp as well as the entire community of the Police College Ikeja that played host to the young men and women that were set to make history. As I marched in slow time holding the spectacularly shining sword with my right arm which was covered in white glove and passed the Inspector General of Police who was standing still in acknowledgment I sighed, ALHAMDU LILLAH, God has made it possible for me to become an officers of the EFCC after some six torturous and yet sweet months that looked like ages.

# Lagos of all Places!

By Ronke Rashidat Shomope

**A**s we rounded off the passing out parade I felt an unusual sense of accomplishment for scaling through what to all intent and purposes was a very rigorous training programme. In the reverie of the moment, nothing else mattered. But unlike most of my colleagues, I had some personal worries. For some reasons I didn't want to be posted to two of the three locations where EFCC has an office, including Lagos. However, lobbying to get my preferred posting was out of it as the Commission had made it clear from the very beginning that it frowns at such.

So my fate was left entirely in the hands of the posting officers. And by some queer coincidence when the posting was realised, my name was number one on the list. My worst fears were confirmed when I discovered that I had been posted to the Lagos office of all places. Lagos of all places! The city had the reputation for roughness and hardship.

I could not believe my eyes. I feared that my dream for a blissful career take-off had been shattered. Why me? I asked repeatedly, without expecting an answer from anyone. I was dazed. It felt as if my world had crumbled. I burst into tears, leaving some confused colleagues who couldn't comprehend my emotions to console me. I thought it was unfair that no one cared to ask me where I wanted to serve.

It took hours before the reality of what had happened actually sank, and I came off with the realization that I have been initiated into the enforcement arm of a security organization where there is little room for personal preference. One must be willing to serve anywhere, at any time.

Even then, starting life all over again in a new environment was one thing that I never bargained for. However, in retrospect I am grateful to God that His will over my life prevailed. I dare say that I am enjoying my tour of duty in Lagos and knowing what I know now, would not trade Lagos for any other place. To be honest, working in the Lagos office is the best thing that can happen to any operative that is serious about pursuing a career as an investigator in EFCC. I am convinced that if I had been posted to some other location, I would have missed out on the opportunity of working with highly experienced and dedicated officers, who still manage to achieve so much in spite of the limitations of Lagos.

My less than a year stay in Lagos has brought me in to the practical mainstream of investigation. Now I appreciate every minute detail of the training regime at the Police College, Ikeja. Even the antics of the drill instructor, which some mistook for the jibes of a jester, are proving to be valued lessons in tolerance. Oh, how I miss the wicked jokes of that humour merchant, the man we all knew as *Mr. Chaka Chaka*. The beloved police drill

instructor ensured that one of the most tedious aspects of the training was fun. It would seem that he had a ready made nickname for every trainee. As the parade progressed so were our real names substituted for parade names and eventually all one hundred and seventeen of us had a parade name. They include names like, *Yeyefowl, Tom-tom, Cowbell, Cofta Cough Syrup, He- Goat, Sunflower, Watermelon, Ashawo No Be Work, Indomie, Fairly Used, Otokoto, Mai Shayi, Slaughter House, Black Cobra, Mortuary, Parent Cock, Frog, Simba, Urban Palace, Otolo, Onitsha Head- Bridge, Personality Wasted, KDK Fan, Rabbit, Colour Television, Molue, Iyawo Babalawo, National Stadium, Ogunpa River, Pampers, Spaghetti, Baba Blue, Police Dog, Olumo Rock, Soja Ant, Pa Jimoh, Potopoto Face, Ikoyi Mosquito, Olokoto, Colour Television OPC, NEPA, Irish Potato, CNN, Cricket* etc. Chaka Chaka conjured the aliases so effortlessly and it was amazing he never forgot or mixed up cadets' parade names.

He named me *Feeding Bottle*. Some short fused cadets didn't quite take some of these names kindly. I couldn't understand why the man chose to name a full-blooded university graduate, *Feeding Bottle!* But, who was I to complain? I realised that at this stage nothing could be worse. If I could answer *Feeding Bottle* and take no offence, then I could endure any seemingly belittling situation while focusing on the job at hand. We were eventually made to understand that the purpose of these names was not to demean us; but to prepare us to be able to accept insults in the course of our work as operatives without losing our cool.

What a way to teach an otherwise serious trick of the trade!



# Commissioning of the EFCC Training And Research Institute, Abuja



•President Olusegun Obasanjo commissioning the EFCC Centre. From left, Senate President, Ken Nnamani, President, Transparency International (TI), Peter Eigens, Senate Deputy President, Ibrahim Mantu, and Executive Chairman, EFCC, Nuhu Ribadu.



•EFCC Centre, Abuja commissioned by President Obasanjo.



•Ribadu in deep conversation with the commissioner, Mr Akonwoye.



•Executive Chairman and one of the foreign guests at the ceremony.



•Mr Femi Falana, frontline lawyer and Alhaji Nuhu Ribadu.



•Speaker, House of Reps, Alhaji Aminu Bello Masari, Senate President Ken Nnamani, FCT Minister Nasir el-Rufai and Nuhu Ribadu.



•EFCC commissioners at the ceremony.



•L-R: Executive chairman, EFCC, Nuhu Ribadu in a chat with Minister of Finance, Dr (Mrs) Ngozi Okonjo-Iweala, and the Minister of Solid Minerals, Dr (Mrs) Oby Ezekwesili.



•EFCC Commissioner Akomoye, Ace Broadcaster Ikenna Ndaguba and Executive Chairman, EFCC, Nuhu Ribadu



•Speaker of House of Representatives, Alhaji Aminu Bello Masari, CJ Alhaji Mohammed Uwais and the Transparency International President Peter Eigens.



•LR: Senate Deputy President Ibrahim Mantu, Inspector General of Police, Sunday Ehindero and Chief Justice of the Federation.



•LR: Information Minister, Mr Frank Nweke Jnr., EFCC spokesman, Osita Nwaja, Chairman, Nuhu Ribadu and Minister of Solid Minerals.



•L-R: Chairman, Nuhu Ribadu, FCT Minister Nasir el-Rufai, Oby Ezekwesili and Mr Kanu Agabi.



•Some of the professionals, who attended the commissioning.



•Putting heads together to move Nigeria forward.



•A cross section of dignitaries at the commissioning of the centre.



# EFCC Is Not Selective

Chief Gani Fawehinmi epitomizes the crusade for democracy, the rule of law and civil liberties in Nigeria. The activist lawyer has been in and out of jail on account of his convictions and fight for a just and equitable society. He has consistently been vocal in speaking out and taking action against corruption and abuse of office.

In this encounter with **ZeroTolerance**, he provides a passionate but frank assessment of Nigeria's war on corruption.



**We have observed that some lawyers jostle for briefs from 419ers and corrupt public officers, why is this so?**

First of all you must

appreciate the fact that the hood does not make the monk. You are yourself, first and foremost, before you are a lawyer. The humanism in you determines your life, not the profession.

I am obstinately against all forms of corruption and abuse of power. I hate it, I loathe it because it dehumanizes and destroys the respectable fabric of the society. And having looked at the Nigerian society in its essence, I have found that the plight of the masses of our people have been fundamentally caused by the dastardly corruption of the upper crust of the society. So, if you fight against corruption you are indirectly extricating the masses of our people from the clutches of poverty. I am opposed to corruption and it has been the policy of this chamber not to accept cases of corruption.

**Q: But they have been approaching you?**

Yes, several. But we have been rejecting their briefs. I want to be strengthened in my conviction before I take up my legal toga to defend anybody. Once I am convinced and I see your defense, and I am convinced that you did not steal, I am prepared to put my life on the line.

**Q: So far how would you assess the anti corruption agencies efforts so far?**

I am not trying to eulogize anybody but I dare

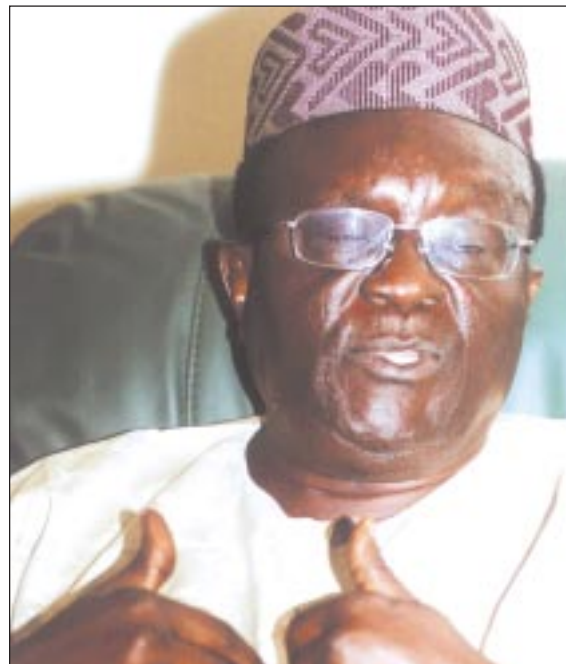
say that in every institution leadership is crucial. This young man, Nuhu Ribadu has impressed me very much. EFCC is an unprecedented success I pay my respect to the leadership of the organization

led by Ribadu. The day I saw him presenting a cheque of \$17million to a representative of a bank that was defrauded to the tune of \$242million by some Nigerian 419ers; I must say that tears rolled down my cheeks because I never imagined that we will get to that stage in the history of this country. The presentation lifted the spirit and pride of the nation. I never thought that we could have the strength in a civil rule to do what the military couldn't do.

Again, how could anybody conceive of a situation where an Assistant Commissioner of Police will look his boss, the IGP in the face and confront him with the facts of corruption and pull him to the courts, using the instrumentality of the legal system to unearth facts which ordinarily would have been impossible to uncover? And the former IG said, 'I am sorry for defrauding Nigeria to this level'. When I talked about courage I knew what I was talking about. Those we thought in this country were untouchables are now being touched.

**Q: Some people accuse EFCC of selective prosecution of the war on corruption. Do you agree?**

(Laughter) There are two schools of thought on the issue. One school of thought says this administration is corrupt so how can it be taking some of its members to court or exposing them for being corruption? It has to start one way or the other. The argument that others should have been taken to court before those who are now being taken to court is neither here nor there as long as some who are found to be corrupt are being exposed and punished. The message that is being sent to the public is that something is being done about corruption and, it will make everybody to be conscious of the



• Chief Gani Fawehinmi (SAN)

repercussion of corruption.

The second school of thought is that those who are against the regime are the ones being punished while those who are for the regime are not being punished. Well, many may not have the evidence to back up this standpoint. But one thing that is noticeable recently is that people who are dear to the regime are being exposed;

Well my attitude to these schools of thoughts is that it is better that we have an effective organization that is producing results and we are seeing the results, than to have an organization that is ineffective. Secondly, we cannot juxtapose the commission's success in the war against 419 culminating in the \$242million scam bust, within the two schools of thoughts because that was not a political matter. It had no tinge of politics, it was pure fraud. But which ever way they look at it the EFCC cannot be accused of inactivity.

**Q: How do we align the judiciary to be partners in the effort to sanitize the society?**

I am an apostle of specialized courts for speedy dispensation of justice/trial. I am an apostle of specialized courts like constitutional courts; economic crimes court and so on and so forth. A special situation deserves a special action. For the moment, we need an economic and financial crimes court in every state of the federation.

**Q: How do we consolidate the gains of the past two years of fighting corruption?**

To consolidate, the constitution must be amended to reflect the EFCC, to reflect the ICPC; to make the EFCC an institution of the constitution. At the moment it is only a creation of an Act of the National Assembly which can be revoked any day. Any bad government can come in and just revoke it. But if it is part of the constitution, you will need to amend it by section 9 of the constitution which requires two-thirds of the National Assembly and two-thirds of the States by simple majority.

There must also be a scrupulous self examination of the officers operating in EFCC. There must be a system where you can keep watch, keep track of what you do and of everyone working in EFCC. One bad egg can spoil the organization. EFCC must be internally vigilant.



# BEWARE OF INTERNET FRAUDSTERS

- ❑ Don't respond to unsolicited 'business' offers in your e-mail.
  - ❑ Don't disclose your account number and other financial detail to unknown person.
  - ❑ Report suspected fraudsters to EFCC.
- Head Office: Plot 1017 & 1018, Space Key Crescent, Phase II, Alimosho, Lagos 6441501  
Lagos Office: 15A Awolowo Road, Ikeja, 01-2692031 E-mail: info@efcc.org.ng Website: www.efcc.org.ng



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**LARGE** or NARROW  
**THIN** or **FAT**  
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