

NIGERIAN FINANCIAL INTELLIGENCE CENTRE BILL, 2017

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SCHEDULE

A BILL

FOR

AN ACT TO ESTABLISH THE NIGERIAN FINANCIAL INTELLIGENCE CENTRE AS THE CENTRAL BODY IN NIGERIA RESPONSIBLE FOR RECEIVING, REQUESTING, ANALYSING AND DISSEMINATING FINANCIAL INTELLIGENCE REPORTS AND OTHER INFORMATION TO LAW ENFORCEMENT, SECURITY AND INTELLIGENCE AGENCIES AND OTHER RELEVANT AUTHORITIES AND FOR RELATED MATTERS, 2017

Sponsored by Hon. Kayode Oladele

[] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria -

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PART I - OBJECTIVES OF THIS BILL

1. The principal objectives of this Bill are to-

Objectives

(a) establish the Nigerian Financial Intelligence Centre;

(b) create the legal, institutional and regulatory framework to ensure transparency, effective and efficient management, administration and operation of the Nigerian Financial Intelligence Centre;

(c) institutionalise best practices in financial intelligence management in Nigeria;

(d) strengthen the existing system for combating money laundering and associated predicate offences, financing of terrorism and proliferation of weapons of mass destruction; and

(e) make provision for the Centre to exchange information with Financial Intelligence Institutions or similar bodies in other countries in matters relating to money laundering, terrorist financing activities and other predicate offences.

1 PART II - ESTABLISHMENT OF NIGERIAN FINANCIAL
2 INTELLIGENCE CENTRE

Establishment
of Nigerian
Financial
Intelligence
Centre

3 2.-(1) There is established a body to be known as the Nigerian
4 Financial Intelligence Centre (in this Bill referred to as "the Centre") which
5 shall be the central body in Nigeria responsible for receiving, requesting,
6 analysing and disseminating financial intelligence reports on money
7 laundering, terrorist financing and other relevant information to law
8 enforcement, security and intelligence agencies, and other relevant authorities.

9 (2) The Centre-

10 (a) is a body corporate with perpetual succession and a common seal
11 and may sue and be sued in its corporate name;

12 (b) may, for the performance of its functions, acquire, mortgage, hold
13 and deal howsoever with movable and immovable property and may enter into
14 a contract or any other transaction; and

15 (c) shall be independent in the discharge of its duties and functions
16 under this Bill and
17 for that purpose shall not take directives from any person or authority.

Establishment
and composition
of the Governing
Board of the
Centre

18 3.-(1) There is established for the Centre, a part time Governing Board
19 (in this Bill referred to as "the Board").

20 (2) The Board shall consist of-

21 (a) a Chairman;

22 (b) representatives not below the Directorate cadre or its equivalent
23 from the following Ministries and Institutions-

24 (i) Federal Ministry of Justice;

25 (ii) Federal Ministry of Finance;

26 (iii) Central Bank of Nigeria;

27 (iv) National Security Adviser;

28 (v) Economic and Financial Crimes Commission;

29 (vi) National Drug Law Enforcement Agency;

- 1 (vii) Independent Corrupt Practices and Other Related Offences
2 Commission;
3 (viii) National Insurance Commission;
4 (ix) Securities and Exchange Commission;
5 (x) Nigeria Police Force;
6 (xi) National Intelligence Agency;
7 (xii) State Security Service;
8 (xiii) Nigeria Customs Service;
9 (xiv) Nigeria Immigration Service;
10 (xv) Code of Conduct Bureau; and
11 (c) the Director - General of the Centre, who shall be the Secretary
12 to the Board.

13 (3) The Chairman shall have a recognized degree with at least
14 fifteen years cognate experience and must be a person of proven integrity.

15 (4) The Chairman and other members of the Board shall-

16 (a) be appointed by the President;

17 (b) hold office for a term of four years; and

18 (c) be eligible for re-appointment for another term of four years and
19 no more.

20 (5) The Board may co-opt any person to attend and participate at
21 any of its meetings provided that the person so co-opted shall only be in
22 attendance and shall not count towards a quorum or voting at the meeting.

23 (6) The provisions of the Schedule to this Bill shall have effect with
24 respect to the proceedings of the Board and other matters mentioned therein.

25 4. The office of a member, other than the Director - General, shall Tenure of office
26 become vacant if-

27 (a) he ceases to hold the office on the basis of which he became a
28 member of the Board; or

29 (b) the President is satisfied that it is not in the interest of the Centre
30 or of the public for the person to continue in office as a member of the Board.

Functions of
the Centre

- 1 5. The functions of the Centre are to -
- 2 (a) receive and collect currency transactions reports, suspicious
- 3 transactions reports and other information, including records of wire transfers
- 4 relevant to money laundering, financing of terrorism and proliferation of
- 5 weapons of mass destruction and related activities from financial institutions
- 6 and designated non-financial institutions as required under the Money
- 7 Laundering (Prohibition) Act, the Terrorism (Prevention) Act, or any other
- 8 relevant laws or regulations;
- 9 (b) analyse, process, interpret and assess the information and reports
- 10 received under paragraph (a) of this section, and undertake strategic and
- 11 operational analysis in relation thereto;
- 12 (c) disseminate immediately, information and the results of analysis,
- 13 where there are grounds to suspect that money laundering, terrorist financing
- 14 or other unlawful activity has taken place, is taking place or is about to take
- 15 place;
- 16 (d) advice to supervisory authorities as it considers appropriate to
- 17 combat money laundering, financing of terrorism, proliferation of weapons of
- 18 mass destruction and other related activities;
- 19 (e) maintain financial intelligence network with regulatory
- 20 authorities, law enforcement and security agencies in Nigeria;
- 21 (f) ensure compliance by reporting institutions with their obligations
- 22 under this Bill, the Money Laundering (Prohibition) Act, and the Terrorism
- 23 (Prevention) Act;
- 24 (g) ensure compliance by reporting institutions with their obligations
- 25 under this Bill;
- 26 (h) assist in the identification of the proceeds of unlawful activities,
- 27 the combating of money laundering, the financing of terrorism and
- 28 proliferation of weapons of mass destruction, and related activities;
- 29 (i) make information collected and analysed by it available to
- 30 investigating, security and law enforcement Agencies to facilitate the

1 administration and enforcement relevant laws;

2 (j) exchange information with similar bodies in other countries
3 regarding money laundering, the financing of terrorism and proliferation of
4 weapons of mass destruction, and related activities;

5 (k) process, analyse, interpret and assess information disclosed to
6 or obtained by it, under this Bill;

7 (l) respond to requests for information by law enforcement and
8 security agencies;

9 (m) maintain a comprehensive, secured financial intelligence
10 database for the storage of information and intelligence to enable the Centre
11 to exchange such intelligence with law enforcement agencies and
12 counterpart financial intelligence bodies in other countries;

13 (n) provide the focus for, and maintain a financial intelligence
14 network with regulatory authorities, law enforcement and security agencies
15 in Nigeria;

16 (o) advise the Government, supervisory authorities, and reporting
17 institutions on the prevention of money laundering, the financing of
18 terrorism and proliferation of weapons of mass destruction, and related
19 activities;

20 (p) develop and monitor policies and procedures to guide the
21 sharing of financial intelligence in a confidential and secured manner;

22 (q) monitor compliance by reporting institutions, and advise
23 supervisory authorities as to the performance by those institutions with
24 regards to their obligations under this Bill,

25 (r) monitor and undertake studies and risk assessments on
26 emerging trends and patterns on money laundering, the financing of
27 terrorism and proliferation of weapons of mass destruction, and related
28 activities;

29 (s) maintain comprehensive statistics on matters relevant to the
30 effectiveness and

1 efficiency of money laundering and associated predicate offences, financing of
2 terrorism and proliferation of weapons of mass destruction, including statistics
3 on suspicious transactions received and disseminated, money laundering and
4 terrorist financing investigations, prosecutions and convictions, property
5 frozen, seized and confiscated, mutual legal assistance or other international
6 requests for cooperation;

7 (t) provide feedback, general or specific, on the value of information
8 reported by reporting institutions;

9 (u) maintain a data base of all reporting entities under this Bill;

10 (v) direct the monitoring of accounts, transfers and any other means of
11 payment or transfer of funds; and

12 (w) do such other things as are necessary or expedient for the
13 attainment.

Functions of
the Centre

14 6. (1) The Centre has powers to -

15 (a) enter into Memoranda of Understanding or such other
16 arrangements as will enable it to carry out its functions effectively in Nigeria
17 and with counterparts in other countries;

18 (b) collaborate with other regulatory authorities, law enforcement and
19 security agencies, and self-regulatory bodies in Nigeria in combating money
20 laundering, financing of terrorism and proliferation of weapons of mass
21 destruction and related activities;

22 (c) review anti-money laundering and counter terrorism financing
23 measures on a regular basis in consultation with regulatory authorities and
24 other relevant stakeholders;

25 (d) direct the prompt monitoring or immediate stop of financial
26 transactions, accounts and any other means of payment or transfer of funds,
27 properties and assets in the possession of any financial institution, designated
28 non-financial institution or any other institution or persons as prescribed under
29 section 6(5) (b) of the Money Laundering (Prohibition) Act, pending the order
30 of the court obtained by a relevant agency;

1 (e) disseminate, spontaneously and upon request, information and
2 other results of its analysis to relevant competent authorities and other
3 Financial Intelligence Units, with or without a Memorandum of
4 Understanding;

5 (f) receive and collect reports concerning transactions of the type
6 mentioned in sections 2, 6(1) and 10 of the Money Laundering (Prohibition)
7 Act;

8 (g) request for and collect such other information as the Centre
9 deems necessary in order to fulfill its functions under this Bill; and

10 (h) do such other things as are necessary or expedient for the
11 effective and efficient performance of its functions under this Bill or any
12 other relevant laws, rules and regulations.

13 (2) The Centre also has power to request for additional information
14 from institutions and reporting authorities, including-

15 (a) criminal investigation reports from any enforcement,
16 intelligence and security agency;

17 (b) reports involving the transfer of funds or securities to or from a
18 foreign country;

19 (c) records to track money transactions in banks and other financial
20 institutions;

21 (d) tax - returns of any individual or entity from the Federal Inland
22 Revenue Service and

23 (e) declarations, reports and returns made pursuant to-

24 (i) the Foreign Exchange (Monitoring and Miscellaneous
25 Provisions) Act;

26 (ii) the Money Laundering (Prohibition) Act;

27 (iii) the Customs, Excise and Management Act;

28 (iv) the Banks and Other Financial Institutions Act;

29 (v) Investment and Securities Act;

30 (vi) Insurance Act;

1 (vii) the Nigerian Deposit Insurance Commission Act;
 2 (viii) Code of Conduct Bureau and Tribunal Act; and
 3 (ix) other relevant laws, regulations or circulars.

4 (3) The Centre may initiate, develop or improve on specific training
 5 programmes for its officers, reporting institutions, relevant supervisory
 6 authorities, law enforcement and security agencies, and other bodies charged
 7 with the responsibility for the prevention, detection, investigation, prosecution
 8 and adjudication of offences under any relevant law or regulations.

9 (4) The Centre shall, in developing the training programmes referred
 10 to in subsection (3) of this section consult with the relevant regulatory
 11 authorities, law enforcement and security agencies.

Functions and
 powers of the
 Board

12 7. (1) The Board shall-

13 (a) formulate and provide general policy guidelines for the discharge
 14 of the functions of the Centre;

15 (b) advise the Centre on measures to prevent and combat money
 16 laundering and terrorist financing and achieve improved financial intelligence
 17 gathering; and

18 (c) monitor and ensure the implementation of the policies and
 19 programmes of the Centre.

20 (2) The Board shall have power to -

21 (a) approve rules and regulations relating to the appointment,
 22 promotion and disciplinary measures for the employees of the Centre;

23 (b) fix the remuneration, allowances and benefits of the employees of
 24 the Centre; and

25 (c) regulate its proceedings and make standing orders with respect to
 26 the holding of its meetings, notices to be given, the keeping of minutes of its
 27 proceedings and such other matters as the Board may, from time to time
 28 determine.

Director-General
 of the Centre

29 PART III - MANAGEMENT AND STAFF OF THE CENTRE

30 8.-(1) There shall be for the Centre, a Director-General to be

1 appointed by the President, subject to confirmation by the Senate.

2 (2) The Director-General shall-

3 (a) be the chief executive and accounting officer of the Centre;

4 (b) have at least a recognized degree in any of the areas of law,
5 accounting, finance, public or business administration with fifteen years
6 cognate experience ten of which must have been spent in AML/CFT
7 matters, financial sector regulations or financial intelligence;

8 (c) be responsible for the day-to-day administration and
9 management of the Centre and the keeping of books and records of the
10 Centre; and

11 (d) perform such other functions as are assigned to him under this
12 Bill or any other law.

13 (3) The Director - General shall hold office for a term of four years
14 in the first instance and shall be eligible for re-appointment for another term
15 of four years and no more.

16 (4) The office of the Director - General shall become vacant where-

17 (a) his term of office expires;

18 (b) he resigns his office by a notice in writing addressed to the
19 President;

20 (c) he dies;

21 (d) becomes of unsound mind or incapable of carrying out his
22 duties due to physical or mental illness;

23 (e) has been declared bankrupt;

24 (f) has been convicted of a felony, fraud or any offence involving
25 dishonesty; or

26 (g) is guilty of gross misconduct relating to his duties;

27 (5) Notwithstanding the provisions of subsection (4) of this
28 section, the President may remove the Director - General from office if he is
29 satisfied that it is not in the interest of the Centre or of the public for the

1 person appointed to continue in office, subject to confirmation by the Senate.

Delegation of
powers by the
Director-General

2 9.-(1) The Director - General may delegate any of his functions and
3 powers under this Bill to any competent officer of the Centre and may instruct
4 any employee to perform any of the functions assigned to the Centre under this
5 Bill.

6 (2) A delegation or instruction under subsection (1) of this section
7 shall be subject to the limitations or conditions that the Director-General may
8 impose; and does not relieve the Director-General of the ultimate
9 responsibility concerning the exercise of the delegated power or the
10 performance of the assigned function.

11 (3) The Director-General may confirm, vary or revoke any decision
12 taken by an employee in consequence of a delegation or instruction under
13 subsection (1) of this section.

Other staff of
the Centre

14 10.-(1) The Centre may, from time to time, appoint directly such
15 professional, technical and other staff as it may consider necessary to assist the
16 Centre in the effective and efficient performance of its functions under this
17 Bill.

18 (2) The staff of the Centre appointed under subsection (1) of this
19 section shall be appointed on such terms and conditions as are applicable to law
20 enforcement agencies and related services in Nigeria.

21 (3) The Centre shall, with the approval of the Board and other
22 appropriate authorities, make staff regulations and determine conditions of
23 service, including allowances, pensions and other benefits, and disciplinary
24 control, as are appropriate for its employees.

25 (4) The Centre shall publish regulations made under subsection (4) of
26 this section in such manner as it may determine.

27 (5) The Centre shall, for the purpose of achieving maximum
28 efficiency in the discharge of its functions set out in this Bill, institute schemes
29 for the training of its staff.

1 11.-(1) A person shall not be appointed to perform any of the
2 functions of the Centre unless-

Security screening
of employees of
the Centre

3 (a) information with respect to that person has been gathered in a
4 security screening by the State Security Service; and

5 (b) the Centre after evaluating the information gathered, is satisfied
6 that the person may be so appointed or seconded without the possibility that
7 he might be a security risk or that he might act in any way prejudicial to the
8 objectives or functions of the Centre.

9 (2) The Director-General may at any time, after consultation with
10 the Board, subject a person referred to in subsection (1) of this section to
11 further security screening as contemplated in subsection (1) (a) of this
12 section.

13 12.-(1) Service in the Centre is pensionable service for purposes of
14 the Pension Reform Act, and accordingly, employees of the Centre shall, in
15 respect of their services, be entitled to pensions and other retirement benefits
16 as are enjoyed by persons holding equivalent grades in the public service of
17 the Federation.

Service in the
Centre to be
pensionable

18 (2) Notwithstanding the provisions of subsection (1) of this
19 section, nothing in this Bill shall prevent the appointment of a person to any
20 office on terms which preclude the grant of pension in respect of that office.

21 (3) For the purpose of the application of the provisions of the
22 Pension Reform Act, any powers exercisable by a Minister or other
23 authority of the Government of the Federation (not being the power to make
24 regulations under the Pension Reforms Act are hereby vested in and shall be
25 exercisable by the Board.

26 13.-(1) The Centre shall establish Departments and Special Units
27 for the effective and efficient discharge of its functions and powers under
28 this Bill.

Establishment of
Department and
Special Units

29 (2) All Departments and Special Units shall carry out such duties as
30 may be required in the exercise, performance or carrying out of the powers,

1 functions and duties of the Centre under this Bill.

2 PART IV - FINANCIAL PROVISIONS

Fund of the
Centre

3 14.-(1) There shall be established for the Centre a fund ("the Fund")
4 into which shall be credited -

5 (a) take off grants and annual subventions received from the
6 Government of the Federation;

7 (b) budgetary allocations approved by the National Assembly for the
8 purpose of the Centre; and

9 (c) grants, gifts or donations from international organisations and
10 donor agencies, provided that the terms and conditions attached to a grant, gift
11 or donation are not inconsistent with the functions of the Centre.

12 (2) The Fund established pursuant to subsection (1) of this section
13 shall be managed in accordance with extant Financial Regulations applicable
14 in the public service of the Federation.

15 (3) The moneys referred to in subsection (1) (b) of this section shall be
16 a charge on the Consolidated Revenue Fund of the Federal Government.

Expenditure of
the Centre

17 15. The Centre may, from time to time, apply the proceeds of the
18 Fund established pursuant to section 14 (1) of this Bill for the-

19 (a) cost of administration of the Centre;

20 (b) reimbursement of members of the Board or any committee set up
21 by the Board or the Agency for such expenses as may be authorised in
22 accordance with the rates approved by the Government of the Federation;

23 (c) payments of salaries, fees and other remunerations or allowances,
24 payable to members of the Board, employees, experts or professionals
25 appointed by the Centre;

26 (d) the maintenance of any property acquired or vested in the Centre;
27 and

28 (e) any matter connected with all or any of the functions of the Centre
29 under this Bill.

1 16. -(1) The Centre shall not later than 30th September in each
2 financial year prepare and present to the National Assembly, through the
3 Board, a statement of estimated income and expenditure for the following
4 financial year.

Estimates,
accounts and
audit

5 (2) Notwithstanding the provisions of subsection (1) of this
6 section, the Centre may, where necessary due to unforeseen circumstances,
7 submit supplementary or adjusted statements of estimated income and
8 expenditure to the Minister for onward transmission to the National
9 Assembly for approval.

10 (3) The Centre shall keep proper and regular accounts and other
11 records of monies received and paid by the Centre and of the several
12 purposes for which the moneys have been received or paid, and of its assets,
13 credits and liabilities.

14 (4) The Centre shall do all things necessary to ensure that all
15 payments out of its Fund and bank accounts are correctly made and properly
16 authorised and that adequate control is maintained over the assets in its
17 custody and over the expenditures incurred by the Centre.

18 (5) The Centre shall, within the first four months of each financial
19 year, submit its accounts to auditors appointed by the Centre from the list
20 and in accordance with guidelines approved by the Auditor-General for the
21 Federation, its accounts for audit.

22 17. The Centre shall, not later than six months after the end of each
23 year, submit to the National Assembly, a report on the activities of the
24 Centre, including evaluation reports received and of money laundering and
25 terrorist financing trends and its administration during the preceding year
26 and shall include in the report, the audited accounts of the Centre and the
27 auditor's comments on them.

Annual report

28 **PART V - SUPERVISION AND MONITORING BY THE CENTRE**

29 18. (1) The Centre shall hold a central database of all reporting
30 institutions.

Database of
reporting
institutions

1 (2) In order to populate and maintain the database referred to in
2 subsection (1) of this section-

3 (a) supervisory authorities shall provide to the Centre, details of every
4 reporting institution supervised by them; and

5 (b) self-regulatory organisations shall provide details of every
6 member registered by them for the purposes of the Money Laundering
7 (Prohibition) Act and Terrorism (Prevention) Act.

8 (3) The details referred to in subsection (2) of this section are, where
9 applicable, the -

10 (a) registered name of the institution;

11 (b) address of the head office of the institution;

12 (c) addresses of branches of the institution;

13 (d) nature of the business of the institution;

14 (e) beneficial owner of the institution;

15 (f) contact details for the institution;

16 (g) number of employees of the institution;

17 (h) date on which they were registered; and

18 (i) name of the individual within the institution who is responsible for
19 making reports of the type referred to in section 5(a) of this Bill.

20 (4) Where the data referred to in subsection (3) of this section is held
21 in a computer database it shall be transmitted to the Centre in such a format as
22 to be transferable to a similar computer database within the Centre.

23 **19.-(1)** An account surveillance directive referred to in section 19 of
24 this Bill is an instruction to a financial institution to -

25 (a) subject a specified account or accounts held in a financial
26 institution under close scrutiny by that institution;

27 (b) report any transaction concerning that account to the Centre in the
28 manner, place and time as may be specified in the directive; and

29 (c) provide account information of the description specified in the
30 directive to an appropriate officer of the Centre in the manner, place and time

1 stated in the directive.

2 (2) An account surveillance directive shall not exceed a period of
3 ninety days commencing from the date of the directive.

4 20. (1) A person who-

5 (a) makes a disclosure which is likely to be detrimental to an
6 investigation or a financial intelligence inquiry under this Bill; or

7 (b) falsifies, conceals, destroys or disposes of, or causes or permits
8 the falsification, concealment, destruction or disposal of documents which
9 are relevant to an investigation or a financial intelligence inquiry under this
10 Bill, commits an offence and is liable on conviction -

11 (a) in the case of an individual to a fine of not less than ten million
12 Naira or imprisonment for a term of not less than two years or to both; and

13 (b) in the case of a financial institution or other body corporate, to a
14 fine of not less than fifty million Naira.

15 (2) An officer of the Centre who knowingly discloses or causes to
16 be disclosed any information which is likely to be detrimental to an
17 investigation or a financial intelligence inquiry under this Bill commits an
18 offence and is liable on conviction to imprisonment for a term of fourteen
19 years without option of fine.

20 (3) It is a defence for a person charged with an offence under
21 subsections (1) of this section to prove that he did not know and had no
22 reasonable cause to suspect that the disclosure was likely to be detrimental
23 to an investigation or a financial intelligence inquiry under this Bill.

24 21.-(1) The Centre shall, when the need arises, conduct inspections
25 of reporting institutions jointly with the relevant regulatory authority to
26 ensure their compliance with this Bill, the Money Laundering (Prohibition)
27 Act and the Terrorism (Prevention) Act.

28 (2) Any inspection of the type referred to sub-section (1) of this
29 section shall take place in normal working hours.

30 22.-(1) In carrying out the joint inspection referred to in section 22

Disclosure of
confidential
information

Joint Inspection
by the Centre and
relevant
supervisory
authorities

Entry and
inspection

1 of this Bill, the officer of the Centre together with the relevant regulatory
2 Authorities shall-

3 (a) enter the premises;

4 (b) inspect the premises;

5 (c) observe the carrying on of business or professional activities on
6 the premises;

7 (d) inspect any recorded information found on the premises;

8 (e) require any person on the premises to provide an explanation of
9 any recorded information or to state where it may be found; or

10 (f) inspect any cash found on the premises.

11 (2) Copies and extracts from, any recorded information found under
12 sub-section (1) of this section may be made in the course of carrying out the
13 inspection under section 22 of this Bill.

14 (3) Subsections (1) (d), (e) and (2) of this Bill do not apply to recorded
15 information where a person would be entitled to refuse to disclose on grounds
16 of legal privilege.

17 (4) An officer may exercise powers under this section only in
18 connection with the exercise by the Centre of its functions under this Bill.

19 (5) In this section, "premises" means any premises other than
20 premises used solely as a dwelling.

Maintenance of
reporting
standards

21 23.- (1) The Centre shall ensure that all reports of the type referred to in
22 section 5(a) of this Bill are fit for the purpose for which they were intended.

23 (2) In the event that a report mentioned in subsection (1) of this section
24 is found to be inadequate in any respect, it shall be rejected by the Centre.

25 PART VI - APPLICATION OF COUNTER-MEASURES AND

26 RISK MANAGEMENT

Application of
Financial Action
Task Force's
counter-measures

27 24. (1) The Centre shall advise supervisory authorities on compliance
28 with the Financial Action Task Force's counter-measures, from time to time.

29 (2) The Agency shall direct reporting entities not to -

30 (a) enter into a business relationship;

1 (b) carry out an occasional transaction; or
2 (c) proceed further with a business relationship or occasional
3 transaction with a person or an entity that is in or is incorporated in a country
4 to which the counter- measures of the Financial Action Task Force are not
5 applied.

6 25.-(1) The Centre is responsible for the identification, assessment
7 and compilation of reports on risks of money laundering, terrorist financing
8 and proliferation of weapons of mass destruction.

Conduct of risk
assessment

9 (2) The Centre shall-

10 (a) consult with relevant Government agencies and reporting
11 institutions in developing enforcement measures, guidelines and policies
12 necessary for the mitigation of the risks of money laundering, terrorist
13 financing and proliferation of weapons of mass destruction; and

14 (b) advise relevant supervisory authorities on the application of
15 risk-based approach by reporting entities in the conduct of customer due
16 diligence depending on identified risks in money laundering, terrorist
17 financing and proliferation of weapons of mass destruction risks in relation
18 to the customer, transaction, country or geographical area, product and
19 services involved in the business transactions.

20 PART VII - LEGAL PROCEEDINGS

21 26.-(1) Subject to the provisions of this Bill, the provisions of the
22 Public Officers' Protection Act shall apply in relation to any suit instituted
23 against the Director-General, a member of the Board or an employee of the
24 Agency.

Limitation of
suits against the
Centre

25 (2) No civil action shall be commenced against the Centre,
26 members of the Board or any authorised officer of the Centre before the
27 expiration of a period of thirty days after written notice of intention to
28 commence the suit shall have been served on the Centre by the intending
29 plaintiff or his agent, and the notice shall clearly and explicitly state the-

30 (a) cause of action;

- 1 (b) particulars of the claim;
2 (c) name and place of abode of the intending plaintiff; and
3 (d) the relief sought.

Service of
documents

4 27. A notice, summons or other documents required or authorised to
5 be served on the Centre under the provisions of this Bill or any other law or
6 enactment may be served by delivering it to the Director-General or by sending
7 it by registered post and addressed to the head office of the Centre.

Indemnity of
officers

8 28. A member of the Board, Director-General, officer or employee of
9 the Centre shall be indemnified out of the Fund of the Centre against any
10 proceedings brought against him in his capacity as a member of the Board,
11 Director-General, officer or employee of the Centre, where the act complained
12 of is not beyond his powers.

13 PART VIII - MISCELLANEOUS

Administrative
penalties

14 29.-(1) Any person or institution who has an obligation to report under
15 this Bill, who breaches any of the requirements of this Bill or who fails to
16 comply with any notice, order or direction given by the Centre pursuant to the
17 provisions of this Bill shall be liable to pay such administrative penalty as may
18 be prescribed under regulations made pursuant to this Bill.

19 (2) The Centre shall not impose a penalty on a person or an entity
20 under subsection (1) of this section where there are reasonable grounds to show
21 that the person took all reasonable steps and exercised all due diligence to
22 ensure compliance.

23 (3) In deciding whether a person or entity has failed to comply with a
24 requirement of this Bill, the Centre shall consider whether the person or entity
25 followed any relevant guidance which was at the time issued and approved and
26 published in a manner approved, by the Centre.

27 (4) Where the Centre decides to impose a penalty under this section,
28 the affected person or entity shall be notified of the -

- 29 (a) decision to impose penalty and the amount;
30 (b) reasons for imposing the penalty;

1 (c) right of review; and

2 (d) right to appeal against the decision.

3 (5) A penalty imposed under this section is payable to the Centre
4 not later than two working days from the date of the award and interest shall
5 accrue each day once the award is due for payment and not discharged.

6 (6) The procedures set out in section 31 of this Bill shall apply in
7 relation to a review or an appeal under this section.

8 (7) For the purpose of this section, "appropriate penalty" means
9 effective, proportionate and dissuasive sanction.

10 30.-(1) A person who is the subject of a decision of the Centre to
11 impose administrative penalties, may by notice to the Centre request for
12 review of the decision.

Review and
appeal procedures

13 (2) The Centre shall review the decision if the request for review is
14 submitted within thirty days from the date of the decision.

15 (3) The Centre may confirm, revoke or vary the decision and take
16 such further steps, if any, as may be considered appropriate in the
17 circumstance.

18 (4) The review under subsection (3) of this section shall be
19 concluded within fourteen working days and where the Centre is unable to
20 conclude the review within fourteen working days, the decision shall be
21 deemed to have been confirmed but subject to an appeal under subsection
22 (5) of this section.

23 (5) An appeal from a person affected by the review of the decision
24 of the Centre imposing administrative penalties shall lie to the Federal High
25 Court.

26 31.-(1) A person who willfully obstructs the Centre or any
27 authorised officer in the exercise of the functions or powers conferred by
28 this Bill or any other law, commits an offence and is liable on conviction -

Obstruction of
the Centre or
authorised officer

29 (a) in the case of an individual, to imprisonment for a term of not
30 less than three years; and

1 (b) in the case of an entity, to a fine of one million Naira for every day
2 that the obstruction persists.

3 (2) Any other regulatory authority may on the application of the
4 Centre withdraw the licence of any person or entity who contravenes the
5 provisions of subsection (1) of this section.

Regulations and
guidelines

6 32.-(1) The Minister may make regulations as are necessary or
7 expedient for the efficient implementation of the provisions of this Bill.

8 (2) The Centre shall with the approval of the Minister, issue
9 guidelines as may be necessary for the exercise of any of the duties, functions
10 or powers of the Centre under this Bill.

Dissolution of
the Nigerian
Financial
Intelligence
Unit

11 33.-(1) The administrative body known as the Nigerian Financial
12 Intelligence Unit (in this section referred to as the "dissolved Unit") established
13 under the Economic and Financial Crimes Commission Act is dissolved and
14 any reference in any other any law or document to the dissolved Unit shall be
15 construed as a reference to the Centre.

16 (2) Without prejudice to section 6 of the Interpretation Act, the
17 dissolution of the dissolved Unit specified in subsection (1) of this section,
18 shall not affect anything done by the dissolved Unit.

19 (3) Every regulation, order, requirement, certificate, notice, direction,
20 decision, authorisation, consent, application, request or thing made, issued,
21 given or done by the dissolved Unit, if in force at the commencement of this
22 Bill, shall continue to be in force and have effect as if made, issued, given or
23 done by the Centre established under this Bill.

Transitional
and savings
provisions

24 34.-(1) Subject to the approval of the Board, any person who
25 immediately before the commencement of this Bill was a staff of the dissolved
26 Unit shall continue in office and be deemed to have been appointed under this
27 Bill for purposes of pensions.

28 (2) All assets, funds, resources and other movable and immovable
29 property which, immediately before the commencement of this Bill, is vested
30 in the dissolved Unit shall by virtue of this Bill and be vested in the Centre

1 established under this Bill.

2 (3) Every reference to the dissolved Unit, Director or any person
3 under its control or a document issued in the name of the dissolved Unit,
4 Director or employee of the dissolved Unit shall be read, unless the context
5 otherwise requires, as a reference to the Centre Minister, Board, Director-
6 General, Chairman, or an employee of the Centre established under this Bill,
7 as the case may be.

8 (4) All rights, obligations and liabilities which, immediately before
9 the commencement of this Bill, were vested in or imposed on the dissolved
10 Unit shall be the rights, obligations and liabilities of the Centre established
11 under this Bill.

12 (5) Any proceeding or cause of action pending or existing
13 immediately before the commencement of this Bill by or against the
14 dissolved Unit in respect of any right, interest, obligation or liability of the
15 Centre may be continued or commenced, as the case may be.

16 (6) Any determination of a court of law, tribunal or other body or
17 person may be enforced by or against the Centre established under this Bill
18 to the same extent that such proceeding, cause of action or determination
19 might have been, commenced, continued or enforced by or against the
20 Centre.

21 (7) As from the commencement of this Bill, any disciplinary
22 proceeding pending or existing against any employee of the dissolved Unit
23 shall be continued and completed by the Centre established under this Bill.

24 35.-(1) The Economic and Financial Crimes Commission
25 (Establishment) Act, is amended by deleting sections 1 (2) (c) and 6 (1) of
26 the Act.

Consequential
amendments

27 (2) The Money Laundering (Prohibition) Act, is amended in
28 sections 1, 2, 5, 6, 8, 10 and 13 by substituting for the word "Commission"
29 found anywhere in those sections with the words "Nigerian Financial
30 Intelligence Centre".

1 (3) The Money Laundering (Prohibition) Act, is amended in sections
2 6 (5) (b) by substituting for the word "Chairman of the Economic and Financial
3 Crime Commission" with the words "Director-General of the Nigerian
4 Financial Intelligence Centre"

Interpretation

5 36.-(1) In this Bill, unless the context otherwise requires:
6 "account" means a facility or an arrangement by which a financial institution
7 does any one or more of the following-
8 (a) accepts deposits of currency;
9 (b) allows withdrawals of currency or transfers into or out of the
10 account;
11 (c) pays cheques or payment orders drawn on a financial institution or
12 cash dealers by, or collects cheques or payment orders on behalf of a person; or
13 (d) supplies a facility or an arrangement for a safe deposit box;
14 "bank" has the meaning given to it in the Banks and Other Financial Institutions
15 Act;
16 "beneficiary" and "beneficial owner" have the same meaning applicable to
17 them in the Money Laundering (Prohibition) Act and Regulations made
18 pursuant to the Act;
19 "Board" means the governing Board established for the Centre under section 3
20 of this Bill;
21 "business relationship" has the same meaning applicable to it in the Money
22 Laundering (Prohibition) Act and Regulations made pursuant to the Act;
23 "Centre" means the Nigerian Financial Intelligence Centre established under
24 section 2 of this Bill;
25 "competent authority" means any agency or institution concerned with
26 combating money laundering and terrorist financing under this Bill or under
27 any other law or regulations;
28 "customer" means-
29 (a) the person for whom an account or right or obligation under a
30 transaction has been assigned or transferred;

1 (b) a person who is authorised to conduct a transaction or control an
2 account;

3 (c) a person who attempts to take any of the actions referred to in
4 paragraph (a) or (b); and

5 (d) such other persons as may be prescribed by regulations made
6 under this Bill;

7 "currency" means the coin and paper money of Nigeria or of a foreign
8 country that is designated as legal tender or is customarily used and accepted
9 as a medium of exchange;

10 "data" means a representation of information, knowledge, facts or concepts;

11 "designated non- financial institutions" has the same meaning applicable to
12 it in the Money Laundering (Prohibition) Act and Regulations made
13 pursuant to the Act;

14 "entity" means a person, group, trust, partnership, fund or any other
15 association or organisation, whether corporate or unincorporated or
16 partnership, for the purpose of providing a product or service either for
17 profit or non-profit;

18 "false declaration" refers to a misrepresentation of-

19 (a) the value of the currency or bearer negotiable instrument being
20 transported; and

21 (b) other relevant data required for submission in the declaration or
22 otherwise requested by the authorities;

23 "Financial Action Task Force" means the inter-governmental body created
24 in 1989 under the aegis of the European Union G8 to generate the necessary
25 political will to bring about legislative and regulatory reforms for the
26 development and promotion of national and international policies to combat
27 money laundering and terrorism financing;

28 "Financial Institution" has the same meaning applicable to it in the Money
29 Laundering (Prohibition) Act and Regulations made pursuant to the Act;

30 "funds" refer to "assets of every kind, whether tangible or intangible,

1 movable or immovable, however acquired, and legal documents or
2 instruments in any form, including electronic or digital, evidencing title to or
3 interest in such assets, including but not limited to bank credits, travelers
4 cheques, bank cheques, money orders, shares, securities, bonds, drafts or
5 letters of credit".

6 "immediate stop" means to on the spot halt the transfer, conversion, disposal,
7 alteration, use of or dealing with funds in any way that would result in change
8 of volume, amount or location, ownership or possession, character, destination
9 or movement of fund or other assets;

10 "member" means a member of the Board and includes the Chairman;

11 "Minister" means the Attorney - General of the Federation and Minister of
12 Justice;

13 "money laundering" has the meaning given to it in the Money Laundering
14 (Prohibition) Act;

15 "other regulatory authorities" means the Central Bank of Nigeria, the
16 Securities and Exchange Commission and the National Insurance
17 Commission;

18 "proceeds of an offence" means property-

19 • (a) wholly derived or realised, whether directly or indirectly, from the
20 commission of the offence; or

21 (b) partly derived or realised, whether directly or indirectly, from the
22 commission of an offence, whether the property is situated within or outside
23 Nigeria; or whether or not a person has been convicted of the offence;

24 "proliferation of weapons of mass destruction" means the illegal production
25 and distribution of weapons of mass destruction;

26 "property" means assets of every kind, whether corporeal or incorporeal,
27 moveable or immoveable, tangible or intangible and legal documents or
28 instruments evidencing title to or interest in such assets;

29 "relevant agencies" includes the-

30 (i) Code of Conduct Bureau;

- 1 (ii) Economic and Financial Crimes Commission;
- 2 (iii) National Drug Law Enforcement Agency;
- 3 (iv) Nigeria Police Force;
- 4 (v) Nigeria Customs Service;
- 5 (vi) State Security Services;
- 6 (vii) Independent Corrupt Practices and other Related Offences
- 7 Commission;
- 8 (viii) Federal Inland Revenue Service;
- 9 (ix) National Agency for the Prohibition of Traffic in Persons; and
- 10 (x) Nigeria Immigration Service;
- 11 "report" means an account or statement describing in details, an event,
- 12 situation, suspicious or unusual transaction or the like, usually as the result
- 13 of observation or inquiry; pursuant to the provisions of this Bill or any other
- 14 relevant law or regulations;
- 15 "self-regulatory body" is a body that represents a profession and which is
- 16 made up of members of that profession, and
- 17 (a) has a role in regulating the persons that are qualified to enter and
- 18 who practice in the profession, and
- 19 (b) to some extent performs supervisory or monitoring functions;
- 20 "shell bank" has the same meaning applicable to it in the Money Laundering
- 21 (Prohibition) Act and Regulations made pursuant to the Act;
- 22 "supervisory authorities" has the same meaning applicable to it in the
- 23 Money Laundering (prohibition) Act and Regulations made pursuant to the
- 24 Act;
- 25 "suspicious" means a matter which is beyond mere speculations and based
- 26 on some foundation;
- 27 "suspicious transaction" means a transaction that falls within a description
- 28 of transactions in section 6 of the Money Laundering (Prohibition) Act;
- 29 "terrorism", "terrorist", "terrorist act", "terrorist financing" and "terrorist
- 30 organisation" shall have the respective meanings ascribed to them under the

1 Terrorism (Prevention) Act;
2 "wire transfer" has the same meaning applicable to it in the Money Laundering
3 (Prohibition) Act and Regulations made pursuant to the Act;

4 (2) A word or phrase not defined in this Bill but defined in the Money
5 Laundering (Prohibition) Act, or the Terrorism (Prevention) Act, has the
6 meaning given to it in those Acts.

Short title

7 37. This Bill may be cited as the Nigerian Financial Intelligence
8 Centre Bill, 2017.

9 SCHEDULE

10 [Section 3 (6)]

11 SUPPLEMENTARY PROVISIONS RELATING TO THE BOARD

12 *Proceedings of the Board*

13 1. Subject to this Bill and section 27 of the Interpretation Act, the
14 Board shall have power to regulate its proceedings and may make standing
15 orders with respect to the holding of its meetings, and those of its committees,
16 notices to be given, the keeping of minutes of its proceedings, the custody and
17 production for inspection of such minutes and such other matters as the Board
18 may, from time to time determine.

19 2. There shall be at least one ordinary meeting of the Board in each
20 quarter of the year and subject thereto, the Board shall meet whenever it is
21 convened by the Chairman, and if the Chairman is requested to do so by notice
22 given to him by not less than four other members, he shall convene a meeting of
23 the Board to be held within 30 days from the date on which the notice was
24 given.

25 3. Every meeting of the Board shall be presided over by the Chairman
26 and if the Chairman is unable to attend a particular meeting, the members
27 present at the meeting shall elect one of them to preside at the meeting.

28 4. The minutes of the Board shall be recorded by the Secretary and
29 signed by the Chairman or the person who presided at the meeting, after
30 confirmation by the Board.

1 5. A quorum at a meeting of the Board shall be one-third of the
2 total number of members. Convening of Meetings of the Board

3 6. The Chairman shall, at any time, if five other members request
4 in writing, convene an emergency meeting of the Board, provided that not
5 less than 48 hours' notice is given to members for the meeting.

6 7. If the office of Chairman is at any time vacant, or the Chairman
7 is absent from Nigeria or is in the opinion of the Board permanently or
8 temporarily unable to perform the functions of his office, the Director-
9 General shall convene such meetings of the Board as are required during the
10 period of vacancy, absence or otherwise.

11 8. The Board shall meet for the conduct of its business at such
12 places and on such days as the Chairman may appoint.

13 9. A question put before the Board at a meeting shall be decided by
14 consensus and where this is not possible, by a majority of the votes of the
15 members present and voting.

16 10. The Chairman shall, in the case of an equality of votes, have a
17 casting vote in addition to his deliberative vote.

18 11. Where the Board seeks the advice of any person on a particular
19 matter, the Board may invite that person to attend for such period as it deems
20 fit, but a person who is invited by virtue of this paragraph shall not be
21 entitled to vote at any meeting of the Board and shall not count towards the
22 quorum.

23 *Committees*

24 12. The Board may appoint one or more committees to carry out
25 on behalf of the Board such of its functions as the Board may determine and
26 report on any matter with which the Board is concerned.

27 13. A committee appointed under paragraph 9 of this Schedule
28 shall be presided over by a member of the Board and shall consist of such
29 number of persons (not necessarily all members of the Board) as, may be
30 determined by the Board, and a person other than a member of the Board

1 shall hold office on the committee in accordance with the, terms of his
2 appointment.

3 14. A person who is not a member of the Board shall hold office on the
4 committee in accordance with his letter of appointment.

5 15. A decision of a committee of the Board shall be of no effect until it
6 is confirmed by the Board.

7 *Seal of the Centre*

8 16. The application of the common seal of the Centre shall be
9 authenticated by the signature of the Chairman or the Director-General on
10 behalf of the Centre.

11 17. A contract or an instrument which, if made or executed by any
12 person not being a body corporate, would not be required to be under seal, may
13 be made or executed on behalf of the Centre by the Director-General or by any
14 person generally or specifically authorized to act for that purpose by the Board.

15 18. A document purporting to be a contract, an instrument or other
16 document signed or sealed on behalf of the Centre shall be received in evidence
17 and, unless the contrary is proved, be presumed without further proof, to have
18 been properly signed or sealed.

19 *Miscellaneous*

20 19. The validity of any proceeding of the Board or its committees
21 shall not be affected by-

- 22 (a) any vacancy in the membership of the Board or its committees
23 (b) reason that a person not entitled to do so took part in the
24 proceedings; or
25 (c) any defect in the appointment of a member.

26 20. Any member of the Board or committee who has a personal
27 interest in any arrangement entered into or proposed to be considered by the
28 Board or any committee shall-

- 29 (a) disclose his interest to the Board or committee; and
30 (b) not vote on any question relating to the arrangement.

- 1 21. A resolution of the Board is valid, even though it is not passed
2 at a meeting of the Board, if:
3 (a) the notice in writing of the proposed resolution was given to
4 each member; and
5 (b) the resolution is signed or assented to by a majority of members
6 of the Board, including the Director-General.

EXPLANATORY MEMORANDUM

*(This Memorandum does not form part of the above Bill but is
intended to explain its purport)*

This Bill seeks to establish the Nigerian Financial Intelligence Centre as the central body in Nigeria responsible for requesting, receiving, analysing and disseminating financial and other information to all law enforcement and security agencies and other relevant authorities.

