

Magu Charges Banks' Compliance Officers On Money Laundering, Terrorist Financing

The acting Executive Chairman, Economic and Financial Crimes Commission, EFCC, Ibrahim Magu, has called on financial institutions in the country to desist from laundering illicit funds for corrupt politicians and criminals.

Magu gave the charge during the general meeting of the Association of Chief Compliance Officers of Banks In Nigeria, ACCOBIN, which held on Thursday, January 31, 2019 in Lagos.

He said many politicians, who had stolen the nation's commonwealth, had begun to repatriate the stolen funds to the country for the purpose of influencing the elections through vote buying and compromise of election officers.

The EFCC Chair also charged members of the group to join hands with the Commission to ensure that the coming election was not compromised, adding that the impact could be grievous and devastating.

He said: "We are all under a civic duty to comply with our various responsibilities and ensure that we do the needful to obey the laws and regulations governing the elections."

He added that political inducement had now taken other forms and tagged in different names such as "stomach Infrastructure", "empowerment schemes", "non-interest yielding loans" and "outright cash handouts", among others.

Magu, who described members of the group as stakeholders in the fight against corruption, said: "Your obligations are not different from your usual filing of suspicious transactions reports to the relevant

authorities, and the prompt filing of currency transaction reports as well as foreign transaction reports.

"We have also observed the upsurge of illicit financial flows into the country through the borders and it is disheartening to see the role financial institutions play in facilitating the flows of these funds into the country.

"It is obvious now that financial institutions serve as intermediaries between law enforcement agencies and the criminals.

"At a simple push of the button, so much is moved to any jurisdiction of their choice."

He added that no country could combat the flow of illicit funds without the cooperation of financial institutions, adding that "in most cases, it is the financial institutions that provide the means, logistics and strategy for the criminals to thread on."

He said investigations revealed that foreign properties bought with proceeds of crime were sold, and the proceeds transferred to Nigeria through international banks as legitimate funds that could be used to finance several activities including elections.

He said: "Goods bought with proceeds of crime abroad are sent to Nigeria to support empowerment programmes during election periods.

"The goods are mostly cleared with deficient trade documents processed through the international banks."

According to him, the condemnable practice also includes moving proceeds of crime that had been taken across the border to neighboring countries back to

Nigeria by depositing such funds in banks with corresponding banking relationship with local banks in Nigeria.

These funds, he said, could be used to finance elections in the country by physical distribution of the funds for political inducement or financing empowerment schemes to solicit votes from citizens.

Magu also said that private bankers for international banks had been found to be facilitating the movement of proceeds of crime, that is physical movement of cash to the country, via chartered airlines under the cover that it belonged to the banks.

He, however, said the activities of the criminals could be checkmated by increased transaction monitoring by bank officials, while also reporting suspicious transactions to the relevant agencies without delay.

He urged the group to cooperate with the Commission to ensure that criminals were not given the chance to take over the government and, by extension, the economy of the country.

He re-iterated the fact that the EFCC would prosecute anybody or institution found breaching the provisions of the law.

In his remarks, the Vice President, ACCOBIN, Wumi Adeniyi, expressed his gratitude to Magu for honouring the invitation to the event.

Adeniyi, who is also the Chief Compliance Officer, CCO, Heritage Bank Plc, commended Magu for what he described as his "boldness to fight corruption and economic and financial crimes in the country".

He also highlighted some of the challenges facing banks' compliance officers in the country and sought the assistance of the EFCC to tackle them.

He said: "We encounter a lot of legal burdens, particularly as it concerns the arrest and detention of compliance officers, among others."