

## CLIENT ALERT



The Egmont Group of financial intelligence units (the 'Egmont Group') has lifted its suspension on the Nigerian Financial Intelligence Unit ('the NFIU') at its 25<sup>th</sup> plenary in Sydney, Australia.

The Egmont Group is a global body of 155 financial intelligence units which facilitates the exchange of financial intelligence, expertise and capabilities. These units combat money laundering, financing of terrorism and major financial crimes.

Back in July 2017, the Egmont Group had suspended the NFIU, an arm of the Economic and Financial Crimes Commission ('EFCC') for not being an autonomous unit. The suspension of the membership status of the NFIU follows repeated failures on the part of the NFIU to address concerns regarding the protection of confidential information, specifically those related to suspicious transaction reports ('STR') and information derived from other member units, as well as clarity on the NFIU's independence from the EFCC.

This suspension and the threat to permanently expel Nigeria from the Egmont Group have led to the accelerated passage of the Nigerian Financial Intelligence Agency Bill by the National Assembly, which created the Nigerian Financial Intelligence Unit as an autonomous agency from the EFCC. The Bill received Presidential Assent in July 2018 and is now in full force and effect.

The NFIU Act creates the NFIU as the central body in Nigeria responsible for requesting, receiving, analyzing and disseminating financial and other information to all law enforcement and security agencies and other relevant authorities. The NFIA is to be domiciled at the Central Bank of Nigeria ('CBN') and is to report to the National Assembly. The passage of the Act adheres to the Egmont Group's directives and has led to the decision to lift the suspension.

As a result, Nigeria can now benefit from the sharing of financial intelligence with 154 other member countries which will assist the government in its fight against corruption, terrorism and the recovery of stolen funds.