

Memorandum of Understanding

Between

**The Government of the United Kingdom of Great Britain and Northern
Ireland**

And the Federal Government of Nigeria

**Concerning the application of the Compensation Amount derived
from the Deferred Prosecution Agreement between the Serious Fraud
Office and AMEC Foster Wheeler Energy Limited**

This Memorandum of Understanding sets out the terms and understanding between the Government of the United Kingdom and the Federal Government of Nigeria (“the Participants”) concerning the application of the compensation payable by AMEC Foster Wheeler Energy Limited (“the Compensation Amount”) under the terms of a Deferred Prosecution Agreement agreed between AMEC Foster Wheeler Energy Limited and the Serious Fraud Office on 1 July 2021 (the “Deferred Prosecution Agreement”).

1. This Memorandum of Understanding does not constitute an international treaty under international public law including the Vienna Convention on the Law of Treaties (1969) and does not produce legally binding commitments for the Participants.
2. The Compensation Amount totals £210,610 the full amount of which will be transferred to the Federal Government of Nigeria to fund infrastructure projects that will benefit the people of Nigeria.
3. The Government of the United Kingdom will transfer the Compensation Amount in the sum of £210,610 within twenty-eight (28) days from the date of signing this MOU.
4. The Federal Government of Nigeria will ensure that the Compensation Amount is transferred to an account designated by the NSIA (the “NSIA Designated Account”) within twenty-eight (twenty-eight) days of receipt of the Compensation Amounts from the United Kingdom.

USE OF COMPENSATION AMOUNTS

5. The Compensation Amount will be utilized by the Federal Government of Nigeria exclusively for the purpose of financing segments of the following infrastructure projects (as set out in Schedule 1) that were approved by the Nigerian National Assembly under the 2020 Appropriation Act, and procured and approved by the Nigerian Federal Executive Council in accordance with Nigeria’s Bureau for Public Procurement Act, 2007 (“the Projects”):
 - a. The Lagos to Ibadan Expressway
 - b. The Abuja to Kano Road
 - c. The Second Niger Bridge
6. The Compensation Amount will be allocated to the Projects in addition to other sources of capital stated to be provided by the Federal Government of Nigeria as indicated in Schedule 2. Such other sources of capital include funds returned from other jurisdictions.
7. The Projects are also funded by funds returned to the Federal Republic of Nigeria from other countries. Where possible, all efforts have been made to align the

requirements of this MOU and other memoranda or treaties which oversee funding to the same Projects.

8. None of the Compensation Amount may be disbursed, expended or used for the benefit of any of the alleged perpetrators of, or participants in the offences specified in the indictment in relation to the Deferred Prosecution Agreement, including as appropriate: family members, heirs, assignees, successors, privies, corporations, trusts, or legal entities of such alleged perpetrators or participants; or any person or entity barred from contracting with any party or international financial institution or from otherwise undertaking projects in Nigeria.

IMPLEMENTATION OF THE PROJECTS

9. The Implementing Authority is the designated persons or organisation that will oversee the application of the Compensation Amount to the use described in this MOU.
10. The Implementing Authority for the Federal Government of Nigeria will be the Nigeria Sovereign Investment Authority (the "NSIA").
11. The Federal Government of Nigeria will procure that the NSIA:
 - a) applies the Compensation Amount to the Projects in accordance with the separate Disbursement Plans for each of the Projects set out in Schedule 3, which will identify which segments of the Projects are to be funded with the Compensation Amount;
 - b) fully implements all provisions of this MOU;
 - c) maintains a project management team (the "PMT") that will be responsible for the implementation of the Projects and management of the Compensation Amount. The PMT will comprise the members and functions listed in Schedule 4;
 - d) produces a final public report (the "NSIA Final Report") on the expenditure of the Compensation Amount and implementation of the Projects within one hundred and twenty (120) days of the final expenditure of the Compensation Amount. The NSIA's Final Report will be published alongside the MT Final Report (as per paragraph 18(c)).

MONITORING

12. A detailed budget, work plan, expenditure schedule, reporting schedule and audit schedule for each project will be drawn up and agreed by representatives of the Federal Government of Nigeria. The funds will be managed with the utmost transparency. Information about the return and management of the Compensation

Amount will be made available to the public before the transfer is made, and accountability reports and reports of expenditure will be published annually by the Implementing Authority. The monitoring arrangement will include Civil Society Organisation(s) described in paragraphs 25-29 and in Schedule 5.

13. The Federal Government of Nigeria will utilise the Monitoring Team (the “MT”) already established under the projects for the purpose of monitoring the implementation of the Projects.

14. The members of the MT will include representatives of the following:

- (i) the Nigerian Federal Ministry of Justice;
- (ii) the Nigerian Federal Ministry of Finance;
- (iii) the Nigerian Accountant General of the Federation; and
- (iv) Civil Society Organisation(s) as described in Schedule 5.

15. Each Participant will be represented by a Competent Authority, as identified in paragraphs 16 and 17 below, for the purpose of ensuring that the provisions of this MOU are maintained throughout its operation.

16. The Competent Authority for the Federal Government of Nigeria will be the Honourable Attorney-General of the Federation and Minister of Justice or a person designated by the Attorney-General of the Federation and Minister of Justice for such purpose.

17. The Competent Authority for the Government of United Kingdom will be the Home Office.

18. The role of the MT will include the following:

- (a) to meet every quarter to review the quarterly Technical Adviser’s reports (where the Technical Advisor is as described in Schedule 4);
- (b) to provide oversight functions to ensure that the NSIA has disbursed the funds as approved in the Disbursement Plan set out in Schedule 4 and
- (c) to prepare and provide copies of implementation reports (the “MT Implementation Reports”) at the end of every financial year or upon reasonable request and a final report (the “MT Final Report”) within ninety (90) days of the MT’s receipt of the NSIA Final Report. The MT Implementation Reports and the MT Final Report will be published on the Nigerian Federal Ministry of Justice’s website¹.

¹ Publication is tentatively expected in April 2022, but subject to change.

19. The Federal Government of Nigeria will ensure that all members of the MT have access to the NSIA Final Report, and all additional information as may be necessary to carry out their responsibilities.
20. If a member of the MT raises concerns about the implementation of the Projects to the Competent Authority of the Federal Government of Nigeria, such Competent Authority must ensure that the NSIA respond in writing to the MT within sixty (60) days. The written response must be sufficiently detailed for the MT to form an independent judgment about the issue(s) raised.
21. In the event that a member of the MT is not satisfied with the manner in which its concerns have been addressed or in the absence of an adequate written response within two (2) months, the MT will escalate the relevant issue(s) by notifying the Board of the NSIA, and will contemporaneously notify the Competent and Implementing Authorities of the Participants.
22. Where there is no satisfactory response from the Board of the NSIA or the relevant issue(s) is not resolved to the satisfaction of any member of the MT, such member of the MT may request the convening of a meeting of the Participants within ninety (90) days from the date of response of the Board of the NSIA, and the Participants will meet within that time period to resolve the relevant issue(s); the ninety (90) days will run from the date of the MT member's communication to the Board of the NSIA raising the relevant issue(s). Any activity described in paragraphs 23-24 will be included in the MT Implementation Reports (as relevant) and MT Final Report.

INELIGIBLE EXPENDITURES

23. Ineligible Expenditures include, but are not limited to, any expenditures which contravene paragraph 8, and any expenditures not directly related to the Projects.
24. Where the MT or any single member thereof, or a Competent or Implementing Authority of any Participant determines that any of the Compensation Amount have been used for Ineligible Expenditures, the MT or Competent or Implementing Authority of the Participant will notify the Competent Authority of the Federal Government of Nigeria. The Competent Authority of the Federal Government of Nigeria will ensure that an equivalent sum is promptly returned to the NSIA Designated Account and that the NSIA and / or the appropriate government agency or agencies of the Federal Government of Nigeria take timely and appropriate corrective action, including to ensure that such Ineligible Expenditures do not recur.

CIVIL SOCIETY ORGANISATIONS

25. The Federal Government of Nigeria will utilise the civil society organisation(s) already engaged under the projects to provide ongoing monitoring (the "Monitoring CSOs").

26. The Monitoring CSO(s) will have the skills and experience as set out in Schedule 5, and the role of the Monitoring CSO(s) will be to act in accordance with the Terms of Reference in Schedule 5.
27. The Terms of Reference of the Monitoring CSO(s) will be to design the implementation of a robust and transparent monitoring program that will include as part of their participation in the MT:
 - (a) receiving all documents referred to in paragraphs 18(c), and project-related documents upon request;
 - (b) conducting relevant site visits (including unannounced site visits);
 - (c) compiling and publishing regular reports. Such reports to be at least quarterly (the "CSO Reports") in addition to any contributions to MT reporting, and to be provided to the Competent and Implementing Authorities of the Participants.
 - (d) compiling and publishing a final report (the "CSO Final Report") within three (3) months of the NSIA Final Report. Such report to be provided to the Competent and Implementing Authorities of the Participants.
28. The Federal Government of Nigeria will ensure that the Monitoring CSO has access to the information necessary to carry out its functions as described in the Terms of Reference in Schedule 5. Monitoring CSO(s) can raise concerns as part of the MT (as per paragraphs 20-22).
29. Neither the engagement nor the monitoring activities of the Monitoring CSO(s) will create any financial obligations or additional commitments for the Participants.

TRANSPARENCY AND INFORMATION SHARING

30. The Participants, MT, and Monitoring CSO(s) will have access on request to all documents related to the Projects.
31. The Federal Government of Nigeria will ensure that the NSIA publishes regular reports on the Projects and the disbursement of the Compensation Amount on a designated public page on the website of the NSIA (the "NSIA Website Reports").
32. Disclosures of information not contemplated by this MOU are subject to the Participants' laws and policies on access to information.
33. The following documents will also be public documents:

- (a) the NSIA Website Reports and the NSIA Final Report;
- (b) the MT Implementing Reports and the MT Final Report; and
- (c) the Monitoring CSO report and the Monitoring CSO Final Report.

REPORTING

34. Expenditure and implementation reports will be produced and agreed by representatives of the Federal Government and the Monitoring CSO(s) (as per paragraphs 25-29 and Schedule 5), in accordance with the agreed reporting schedule, and published by the Federal Government of Nigeria. The reports to be submitted to the Competent Authorities shall include:

- (a) Independent Audit reports published by the NSIA. Reports will cover all activities financed by the Compensation Amount.
- (b) Quarterly Technical Adviser's Report
- (c) Quarterly reports prepared by the NSIA on the anti-corruption due diligence carried out on contractors and sub-contractors during the reporting period
- (d) The NSIA Final Report

OTHER FEES

35. The Federal Government of Nigeria will be solely responsible for the payment of any fees it resolves that it may owe for legal expenses or the NSIA's management of the Compensation Amount and the implementation of this MOU.
36. Expenditure and implementation of each of the Projects, including procurement of any related goods and services and quality assurance of delivery will be monitored by representatives of Federal Governments and Monitoring CSO(s) (as per paragraphs 25-29 and Schedule 5) as follows.

SETTLEMENT OF DIFFERENCES

37. Differences arising out of the interpretation, operation or implementation of this MOU will be settled amicably through consultations among the Participants and in line with paragraph 22. Participants shall meet at least once a year during the implementation of the project for briefing and consultation on the progress made by the implementing authorities. Participants may also consult each other whenever the need arises.

AMENDMENTS

38. This MOU may be amended by and with the written approval of all Participants at any time, for example where:

- a) one or more of the Projects is cancelled;
- b) disbursements are not made substantially in accordance with Schedule 3;
- c) a determination that the Compensation Amount have been used for Ineligible Expenditures has been made and an equivalent sum has not been returned to the NSIA Designated Account within ninety (90) days; or
- d) there is a material change in the Nigerian Implementing Authority or its ability to carry out its responsibilities in relation to this MOU.

ANTI-CORRUPTION STATEMENT

39. The Federal Government of Nigeria and the UK Government will collaborate in a commitment to ensure that no offer, donation, payment, remuneration or advantage in any form whatsoever that may be considered as an illicit act or a form of corruption, has been or will be granted to anyone, directly or indirectly, with the aim of obtaining a benefit in relation to projects or the Compensation Amount.

40. The Federal Government of Nigeria will inform the UK Government immediately in the event that any credible allegation or other indication of fraud or corruption in connection with the project, the Compensation Amount or this Memorandum of Understanding comes to its attention.

41. The Federal Government of Nigeria will:

- (a) take timely and appropriate action to investigate such allegations or other indications, commencing an investigation within thirty days of any credible allegation being received;
- (b) report promptly and regularly to the UK Government on the progress of such investigations and, promptly after their conclusion, report to the UK Government the actions that the Federal Government of Nigeria takes in response to the findings; and
- (c) in the event that the investigation substantiates that fraud or corruption has occurred, promptly reimburse the NSIA Designated Account in full for any funds that may have been lost, misappropriated or inappropriately disbursed, expended

or used, and take such other action as may be necessary or appropriate to remedy the damage caused by the fraudulent or corrupt act(s).

42. The Federal Government of Nigeria will ensure that the NSIA will include anti-corruption clauses in all the future contracts and sub-contracts relating to the Projects. Such clauses will provide that in the event of any breach, the relevant contract or sub-contract will be voidable at the absolute discretion of the NSIA.
43. The Federal Government of Nigeria will ensure that the NSIA will include an annual certification requirement in all contracts and sub-contracts relating to the Projects that the contractor and its sub-contractors acknowledge and will abide by the limitations set forth in paragraph 23-24 regarding Ineligible Expenditures and use of the Compensation Amount. Such clauses to provide that in the event of any Ineligible Expenditure or use, the NSIA, in its absolute discretion, may withhold payments to such contracting parties, require repayment of funds, or void such contract or sub-contract.

CONTACT DETAILS

44. The points of contact for Competent Authorities are:
45. Contact details for the Federal Government of Nigeria:
The Attorney General of the Federation and Minister of Justice
Federal Ministry of Justice, Abuja
Asset.Project@justice.gov.ng
46. Contact details for the UK Government:
Criminal Finances Unit,
2 Marsham Street,
London,
SW1P 4DF
International-assetrecovery@homeoffice.gov.uk
47. Contact details for the Implementing Authority:
The Managing Director,
NSIA, Abuja
uorji@nsia.com.ng

COMMENCEMENT OF OPERATION AND SIGNATURE

48. This Memorandum will come into effect on signature and will remain in effect until 180 days after the amounts held in the NSIA Designated Account have been exhausted and the Participants have received the NSIA Final Report, the MT Final Report and the Monitoring CSO Final Report.
49. This MOU is intended solely for the purposes of mutual assistance, understanding and co-operation amongst the Participants. It does not give rise to any benefit on the part of any private person and is not intended to benefit any third parties.
50. The foregoing record represents the understandings reached between the Government of the United Kingdom of Great Britain and Northern Ireland and the Federal Government of Nigeria upon the matters referred to therein.

Vicky Ford MP
Minister for Africa

Abubakar Malami
SAN Attorney General of the Federation and
Minister of Justice

For the Government of the United Kingdom
of Great Britain and Northern Ireland

For the Federal Government of Nigeria

Signed on 21st February 2022

SCHEDULE 1

PROJECT DESCRIPTIONS

The three identified Projects referred to in paragraph 5 of the MOU are described in more detail below:

1. Lagos to Ibadan Expressway

The Lagos–Ibadan Expressway is a 127.6-kilometre-long (79.3 mile) expressway located in the southwest of the country. It connects Ibadan, the capital of Oyo State, to Lagos, Nigeria's most populous city and commercial capital. It is also the busiest interstate highway in the country and the major route to the northern, southern and eastern parts of Nigeria. The scope of the work involves rehabilitation of the road and the construction of pedestrian bridges. This Project is expected to be completed in July 2022.

2. Abuja to Kano Road

The Abuja-Kano is a major artery that links the Federal Capital Territory (Abuja) to the northern parts of the country. The scope of work involves the rehabilitation, expansion and construction of a 375 kilometre dual carriageway. This Project is expected to be completed in April 2021.

3. Second Niger Bridge

The Second Niger Bridge is being constructed across the River Niger between Delta State in the South geopolitical region to Anambra State in the south east of the country. It is intended to ease traffic congestion and improve road safety. The scope of work includes the construction of 1.6 kilometre long bridge, 10.3 kilometre Highway, Owerri interchange and a toll station. This Project is expected to be completed in 2022.

SCHEDULE 2

FUNDING FOR PROJECTS IN TRANCHE 1

PIDF Funding – Current Status



| PIDF Funding Plan | | | | | |
|--|-----------------------------------|-------------------------------|---------------------------|---------------------------|---|
| Details | Amount (₦) | US\$ | UK£ | Euro€ | Receipt Date |
| Total Contract Value of the three projects | 1,260,858,308,091.33 ¹ | 3,060,335,699.25 | | | |
| Sources of Funds | | | | | |
| Seed Funding | 211,250,000,000.00 | 650,000,000.00 ² | | | May-18 |
| Budget Allocation | 70,330,000,000.00 ³ | 185,078,947.37 | | | Oct-19 |
| Recovered Funds - Abacha | 128,460,724,957.32 | 311,797,876.11 ⁴ | | | Received in April 2020. Drawdown commenced in June 2021 |
| Recovered Funds - Irish | 2,588,024,287.41 | | | 5,494,743.71 ⁵ | Yet to be deployed |
| Recovered Funds - UK | 2,373,000,000.00 | - | 4,200,000.00 ⁶ | | Yet to be deployed |
| NLNG Tranche 1 | 69,834,000,000.00 | 169,500,000.00 ⁴ | | | Apr-21 |
| NLNG Tranche 2 | 69,834,000,000.00 | 169,500,000.00 ⁴ | | | Yet to be received |
| InfraCorp | 163,066,430,973.65 ⁴ | 395,792,308.19 | | | Oct-21 |
| NSIA Funds | 123,600,000,000.00 | 300,000,000.00 ⁴ | | | Available when needed |
| Other Sources of Capital | 419,522,127,872.94 | 1,013,338,473.12 ⁷ | | | To be determined |

1. Based on revised contract sums.

2. Converted at the time at an FX rate of N325/\$1

3. Converted at the time at an FX rate of N380/\$1

4. Converted at the time at an FX rate of N412/\$1

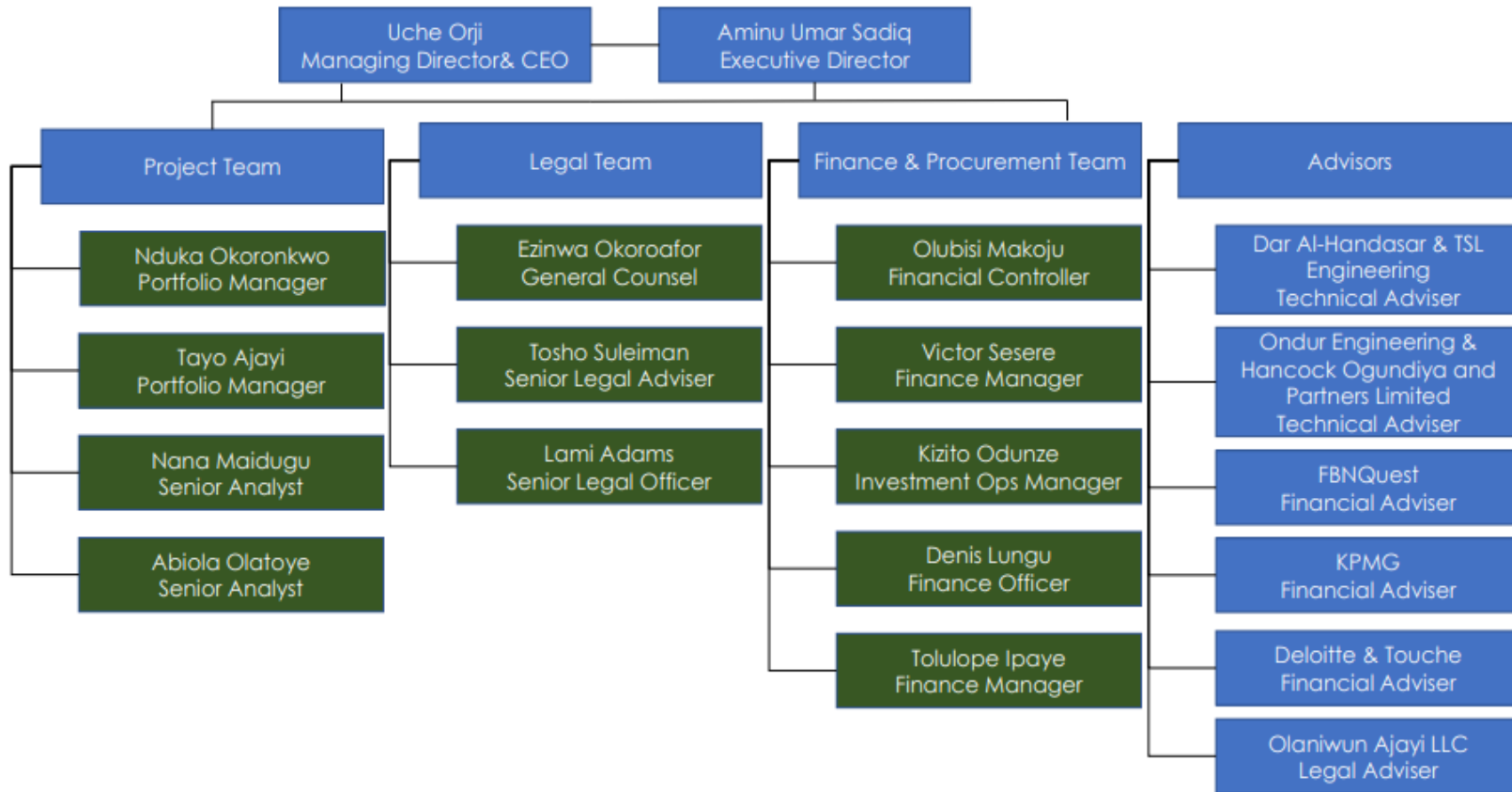
5. Converted at an FX rate of N471/€1 as at 13/01/22

6. Converted at an FX rate of N565/£1 as at 13/01/22

7. Other Sources of capital under consideration include funds from local and international financial institutions as well as other recovered assets and bonds to meet the funding needs. Converted at an FX rate of N414/\$1 as at 13/01/22

SCHEDULE 3

PROJECT MANAGEMENT TEAM (MEMBERS AND ROLES)²



² Subject to changes and additions

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SCHEDULE 4
(See separate document)

SCHEDULE 5

TERMS OF REFERENCE FOR MONITORING AND CIVIL SOCIETY ORGANISATIONS

The Monitoring CSO(s) will be selected to monitor the Projects following the signing the Tripartite Treaty in February 2020. The Monitoring CSO(s) will monitor the Projects in line with the Tripartite Treaty, and this MOU. Where possible, all efforts have been made to align the requirements of the Treaty and the MOU to reflect the fact that the Project funding is guided by both documents.

The Monitoring CSO(s) will have skills and experience in the following fields:

- Substantial Infrastructure Projects
- Civil Engineering
- Anti-Corruption Compliance
- Anti-human Trafficking Compliance
- Auditing
- Procurement

COMMITMENTS RELATING TO THE COMPENSATION AMOUNT

1. The MOU contains a number of commitments as to the use and monitoring of the Compensation Amount. These include:
 - (a) That the funds be used exclusively for the three Projects;
 - (b) That they will not be used to pay legacy debts (that is to say any financial obligation that arose prior to the coming into effect of the MOU);
 - (c) That the funds will be disbursed in accordance with the Disbursement Plan in Schedule 4
 - (d) Stringent anti-corruption compliance.
2. There will be a Nigerian Monitoring Team that will provide oversight and review technical and financial reports.
3. The Implementing Authority will provide the following documents to the Competent Authority of the United Kingdom quarterly (one quarter in arrears):
 - (a) Quarterly Technical Advisor's reports by WSP Global ((or any successor engineering firm) on each of the three Projects, which the NSIA accepts are pre-requisite to its approval of payment of its contractors' invoices and which describe the progress made on each Project. These reports to be provided within fourteen (14) days of their receipt by the NSIA;
 - (b) Quarterly reports prepared by the NSIA Designated Independent Auditor' on the NSIA Designated Account and on the use of the Compensation Amount. These reports to be provided within fourteen (14) days of their receipt by the NSIA;

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- (c) Quarterly reports on the anti-corruption due diligence carried out on contractors and sub-contractors within the relevant reporting period;
- (d) The NSIA Final Report.

ASSIGNMENT

4. The Participants to this MOU have approved the appointment of (a) Monitoring Civil Society Organisation (s) (the "Monitoring CSO") through the selection process initiated under the provisions of the Tripartite Treaty signed in February 2020, noting that the Treaty relates to the return of funds from Jersey to the Federal Republic of Nigeria for expenditure on the Projects listed in paragraph 5 of the MOU and to make use of the same Monitoring CSOs for monitoring is an effective use of resource. The appointment will be on an annual basis and renewable each year until the Compensation Amount has been spent.
5. The Monitoring CSO (s) will be part of the Nigerian Monitoring Team referred to above and will have the following additional responsibilities.
6. The primary focus of the Monitoring CSO will be on compliance with applicable anti-corruption laws and regulations and international anti-corruption standards. In particular, compliance with the commitments in paragraph 8 and paragraphs 49-43 in the MOU. However, the Monitoring CSO will also monitor for other criminal activity such as human trafficking in addition to compliance with applicable laws and regulations, especially those protecting vulnerable members of society.
7. The Monitoring CSO will design and implement a robust and transparent monitoring programme that will include:
 - (a) receiving the documents referred to in paragraph 18(c),
 - (b) conducting regular site visits (including unannounced visits);
 - (c) compiling and publishing regular reports. Such reports to be at least quarterly; and
 - (d) compiling and publishing a final report within three (3) months of the NSIA Final Report (as defined in the MOU).

KEY OBJECTIVES

8. The key objectives will be:
 - (a) providing robust monitoring of the Projects to ensure that corruption, other crime, ineligible expenditures, or misuse of the Compensation Amount is prevented;
 - (b) providing mechanisms whereby any act of corruption, other criminality, ineligible expenditures, or misuse of the Compensation Amount is immediately discovered,

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reported in accordance with the provisions of the MOU and applicable laws, and any remedial action taken;

- (c) monitoring that the commitments in the MOU are complied with;
- (d) ensuring that the monitoring of the Projects is transparent and accessible to the Participants and to the public; and
- (e) maintaining adequate communication with the public with regard to the administration of the returned assets and maintaining public confidence in the administration of returned assets.

CSO SELECTION PROCESS

9. The Monitoring CSO will be selected in accordance with Nigerian law, public procurement procedures, and guidelines. The Implementing Authority must approve the selection of the Monitoring CSO(s). The selection process was commenced following the Tripartite Treaty signed in February 2020.
10. Within 30 days of notification of selection, the Monitoring CSO(s) should provide a written copy of its monitoring program to the Government of the Federal Republic of Nigeria, which will distribute it to all Participants. The monitoring programme will serve as a work plan, and will include an outline of team members, division of labour, and overall approach.

FINAL APPOINTMENT

11. The appointment of the Monitoring CSO(s) will be by the Federal Government of Nigeria as the Competent Authority for Nigeria after the selection by the parties to the Tripartite Treaty.

REMUNERATION

12. The remuneration of the Monitoring CSO will remain in line with the remuneration determined in the Tripartite Treaty.

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SCHEDULE 6

(See separate document)