**Memorandum of Understanding**

**Between**

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

**And the Federal Government of Nigeria**

**On The Modalities For The Return Of Stolen Assets Confiscated By The United Kingdom**

This Memorandum of Understanding (‘the MoU’) sets out the terms and understanding between the Government of the United Kingdom and the Federal Government of Nigeria (‘the Participants’) for the modalities for the return of assets stolen from the people of Nigeria and confiscated by the United Kingdom.

1. **Background**

1.1 Corruption and the impunity achieved by perpetrators of corruption through money laundering is a major contributor to poverty in Nigeria. The embezzlement of large amounts of state funds has considerably reduced the resources available to the government to provide social services or invest in infrastructure and economic development in order to move the country to greater prosperity.

1.2 The UK government is committed to ensuring that the UK is not a safe haven for proceeds of corruption by returning assets after proper judicial processes have been followed. The *Serious and Organized Crime Strategy, 2013* details the government’s commitment and approach for reducing substantially the level of serious and organized crime, including money laundering.

1.3 This MoU reflects the desire and willingness of both Participants to continue co-operation and mutual support in the responsible and transparent return of all recovered assets, after judicial proceedings, mutual consent of both Participants or out-of-court settlement have been completed, to the Federal Government of Nigeria. It covers return of assets made available after signature of the MoU. The specific arrangements for each asset return will be covered by signature of an annex to this MoU.

1.4 The following principles will guide all returns of assets:

1. that the process of returning stolen assets is a partnership recognising the interests of both Participants and based on mutual understanding, confidence and trust;
2. that both Participants recognise they have a mutual interest in ensuring that returned assets are not at risk of being misappropriated again and that both Participants recognise they have obligations towards their own citizens for providing such assurances;
3. that both Participants recognise the importance of ensuring that the highest possible standards of transparency and accountability are applied for the return of assets;
4. that both Participants acknowledge that the fundamental purpose of an asset return process is to enable those funds that have been wrongly diverted from their original intention to be able to be applied to such or similar intentions;
5. that the FGN has the primary responsibility for determining the use of returned stolen assets.

1.5 Pursuant to efforts to ensure the return of stolen assets, the Federal Government of Nigeria (FGN) in conformity with the United Nations Convention against Corruption (UNCAC) has drafted a Nigeria Financial Intelligence Center (NFIC) Bill and the Proceeds of Crime Agency (POCA) Bill. The NFIC bill provides for the establishment of an intelligence gathering institution that will assist the Nigerian government in the tracing, monitoring, and restraint of stolen funds while the POCA Bill provides for the setting up of a Proceeds of Crime Agency with the mandate to seize, confiscate, manage and recover assets derived from criminal activities. Both Bills have been forwarded to the President for transmission to the National Assembly for enactment.

1.6 The President of Nigeria, President Mohammedu Buhari, has also forwarded the Money Laundering (Prevention and Prohibition) Bill, 2016 and the Mutual Legal Assistance in Criminal Matters Bill, 2016 to the National Assembly for enactment. These laws will assist in preventing the looting of public assets and assist in the process of international cooperation in criminal matters and recovery of proceeds of crime.

1.7 Once the above mentioned laws have been enacted, this MOU will be reviewed to ensure all asset returns thereafter are in accordance with Nigerian legislation.

1. **Handling and use of funds**

2.1 Whereas:

(i) The Participants having ratified the United Nations Convention against Corruption (UNCAC) understand that the cooperation in this case represents the effective implementation of obligations under the UNCAC to afford one another the widest measure of co-operation and assistance in asset recovery.

(ii) The Government of Nigeria in conformity with Section 162 (1) of the 1999 constitution (as amended) has resolved to receive the returned funds and to pay it into the Consolidated Revenue Fund. The funds will be applied in accordance with paragraph 4, to the development projects and associated costs of government departments approved under the Appropriation Act at the time of the return of the assets.

1. **The Participants hereby decide that:**

3.1 This MoU reflects the desire and willingness of both Participants to continue co-operation and mutual support for the responsible and transparent return to FGN of stolen assets recovered and confiscated in the UK.

3.2 Both Participants are of the view that transparency and accountabilityin regard to the return and disposal of confiscated assets is an important factor to sustain the mutual confidence and cooperation that both Participants wish to uphold.

3.3 This MoU represents the desire of both Participants, pursuant to Article 57(5) of UNCAC, to conclude a mutually acceptable arrangement for the final disposal of all returned assets.

1. **Application of Returned Assets to Specific Projects**

The Participants attach great importance to ensuring returned assets are used for the benefit of the people. The Participants therefore decide that the returned funds will be used in line with the budget of the Federal Republic of Nigeria for projects that will impact on the poorest segment of the society and to improve access to justice for all Nigerians. The POCA Bill’s social welfare provision illustrates possible uses of recovered assets.

1. **Accountability and Reporting**

5.1 This arrangement will be shared with the media in the jurisdictions of both Participants according to timing and modalities decided in advance by both Participants.

5.2. The Federal Government of Nigeria will provide a report on the activities implemented with returned funds to the Nigerian National Assembly and the British Department for International Development (DFID). The report will cover the period of two years after funds were returned to Nigeria. The report will be published by the Federal Government of Nigeria.

1. **Transfer of the Funds**

6.1 The Government of the United Kingdom will transfer the funds to the Federal Government of Nigeria bank account as notified by the Federal Government of Nigeria in an annex to this MoU.

1. This MoU will become effective upon signature by the authorised representatives of the Participants.

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**Signed by: Mr. Robert Goodwill MP, Minister of State for Immigration**

On behalf of the Government of the United Kingdom

And

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**Signed by: Abubakar Malami, Honourable Attorney General and Minister of Justice, Nigeria**

On behalf of the Federal Government of Nigeria