

AMPLIFYING VOICES FOR AN EFFECTIVE AUDITABLE FINANCIAL SYSTEM

The Malabu Scandal

How the Nigerian people were robbed of \$1.1 billion

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Acronyms

AuGF	Office of the Auditor General for the Federation
CFRN	Constitution of the Federal Republic of Nigeria
CODE	Connected Development
COVID-19	CoronaVirus Disease 2019
EFCC	Economic and Financial Crimes Commission
FASC	Federal Audit Service Commission Bill
FRC	Fiscal Responsibility Commission
FTM	Follow The Money
HEDA	Human and Environmental Development Agenda
ICPC	Independent Corrupt Practices Commission
IFF	Illicit Financial Flow
OAGF	Office of the Accountant-General of the Federation
OPL	Oil Prospecting License
OXFAM	Oxford Committee for Famine Relief
PAC	Public Accounts Committee
PTCIJ	Premium Times Centre for Investigative Journalism
SERAP	Socio-Economic Rights and Accountability Project

Background

The fight against corruption and illicit financial flow plays an indispensable role in ensuring state security, wealth redistribution, economic prosperity, realization of socio-economic rights and sustainable development. Corruption endangers unimpeded functioning of the public sector, weakens public trust and as such citizens must take this fight as an obligation for a better Nigeria. **The Malabu Scandal is adjudged to be one of Africa's most controversial and corrupt oil deals. It has been 23 years (1998) since the illegal award of the OPL 245 and 9 years (2011) since the deal was consummated for about \$1.1b.**

The deal allegedly saw a fraudulent change of ownership from Dan Etete to Shell and Eni. The scandal and its accompanying illicit transactions continue to plague Nigeria and has depicted Nigeria as a country where corruption is championed at the highest political offices. This has resulted in a huge loss of revenue for Nigeria and her citizens, a revenue that is crucially needed for socio-economic development. Although investigations and trials are still ongoing in Nigeria and other western countries, not a single person has been convicted in Nigeria thus far.

To galvanize the population against corruption; to make supporting corruption untenable, directly or tacitly, CODE utilized diverse platforms for media advocacy and sensitization engagements and leveraged its social accountability initiative "**ifollowthemoney.org**" to amplify relevant data, galvanize citizens interest and action against corruption, create awareness and urge the National Assembly to pass the Federal Audit Service Commission (FASC) bill and for the President to assent to the bill in order to strengthen Nigeria's finance system and effectively tackle institutional corruption and illicit financial flows.

The proposed bill will when enacted strategically reposition the Office of the Auditor-General of the Federation (OAuGF) and enhance the capability of the Office to execute its constitutional mandate of ensuring transparency, accountability and probity in the management of public funds; and establish an Audit Act in accordance with international best practice of other climes. Strategic advocacy and multifaceted engagements with relevant public and private 'CSOs/ Media' bodies, collaboration with anti-graft agencies (EFCC/ICPC) and social mobilization, would ensure that Ministries, Departments and Agencies submit their yearly audited financial accounts to the Auditor General of the Federation. Hence, averting corruption, illicit financial flows, money laundering and mismanagement of public funds as reported in the Malabu - Dan Etete Case.

Executive Summary

Connected Development [CODE] in partnership with OXFAM Novib, galvanized Nigerian citizens against corruption by amplifying the putrid details, investigative reports and developments of the Malabu "OPL 245" Scandal - effectively calling on the federal government and key anti-corruption agencies to properly investigate and accelerate their prosecution of the actors indicted in the scandal which robbed Nigerians of \$1.1 billion - through a series of strategic advocacy campaigns and activities designed to achieve the project goals notwithstanding the COVID-19 Pandemic.

Primarily, the CODE team paid a high-level advocacy visit to the ICPC as a crucial anti-corruption public stakeholder. This was done to further understand the intricacies and status of the Malabu "OPL 245" Scandal and to foster partnership with the ICPC in the implementation of the project. Another crucial advocacy visit was to the Auditor General for the Federation's office (OAuGF) and the Director, Senate Public Account Committee. This was in furtherance of gathering insights on the Audit Bill, foster partnership and acquire support towards realising the project goals and objectives. The Office solicited a working partnership with CODE through its social accountability initiative "Follow The Money" for performance audits on social projects.

Leveraging diverse social media platforms, we hosted some tweetchat engagements, Facebook and Instagram Live sessions to discuss the Malabu scandal, public audit reform and to polish citizens with vital information on the subject matter and ultimately galvanize their active support against corruption.

To effectively push our demand and advocate for the passage of the Audit Bill, we mobilized citizens and partnered with frontline organisations and highly knowledgeable persons and experts such as:

- i Edwin Ikhuoria, Executive Director of ONE Campaign Africa;
- ii Olusegun Elemo, Executive Director of Paradigm Leadership Support Initiative;
- iii Barnaby Pace, Senior Campaigner at Global Witness;
- iv Idris Akinbajo, Managing-Editor of Premium Times Centre for Investigative Journalism (PTCIJ);
- v Comrade Olanrewaju Suraju, Chairman of HEDA Resource Centre
- vi Barr. Eze Onyekpere, Executive Director of Centre for Social Justice, and other organizations not limited to SERAP, BudgIT and Finance:Uncovered - via a series of webinars to discuss the subject matter and shed some light on intricate areas.

Through this we recorded over 1,500 participants attendance on both Zoom and Facebook. Furthermore, we organised two town hall meetings, leveraging our social accountability platform (www.ifollowthemoney.org), and the zoom platform. We reached 137 people on zoom and 322 people on Facebook and incorporated some actionable steps from panelists outlining the roles of citizens in changing the narrative and current trends in the audit finance sector. Other media platforms were also fully leveraged including traditional platforms, reaching **5 million people** with our 5 FTM radio episodes **on Kiss FM 99.9 (House of Parapo show)**.

In partnership with key Social media influencers, we trended the **#AuditMoneytrail**, **#AuditOurMoney** and **#AuditFinanceNG** for 3 days and recorded a reach of 1,311,493 users, 1,820,152 users and 1,942,267 users, respectively, **reaching over 5 Million persons with our well designed and structured citizens driven messages.**

Diverse citizens led approaches were adopted to enlist public support and inputs in presenting our policy asks to the Nigerian lawmakers and the executive. Through Follow the Money zonal and chapter structure 651 petition letters were sent to the representatives and 1,425 people signed our online petition platform for the urgent need to pass the Federal Audit Service Commission Bill. Consequently, we drafted a Memorandum to the National Assembly Constitution Review Committee on the Strengthening of Independence and Oversight of the Auditor-General for the Federation created by Section 85 of the Nigerian 1999 Constitution, as amended.

Lastly, to wrap up this phase of the project, we compiled all the offline petitions containing citizens' voices and presented them to the National Assembly to catalyse their immediate action and drive the passage of the Federal Audit Service Commission Bill. Citizens' voices remain the most volatile tool to drive social change, adopt publicly available transparent systems and influence policies.



Hamzat Lawal
Chief Executive, CODE
Founder, FollowTheMoney

Key Project Activities

Project Goal: To galvanize the population against corruption; to make supporting corruption untenable, directly or tacitly.

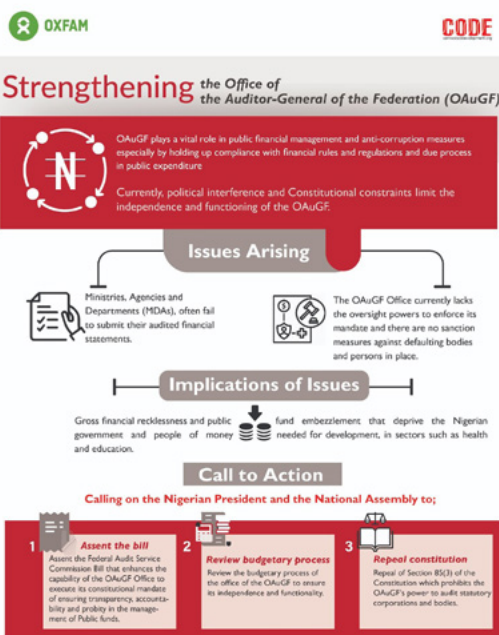
Advocacy Visit to Independent and Corrupt Practices Commission (ICPC)



CODE staff with members of the ICPC after the advocacy meeting

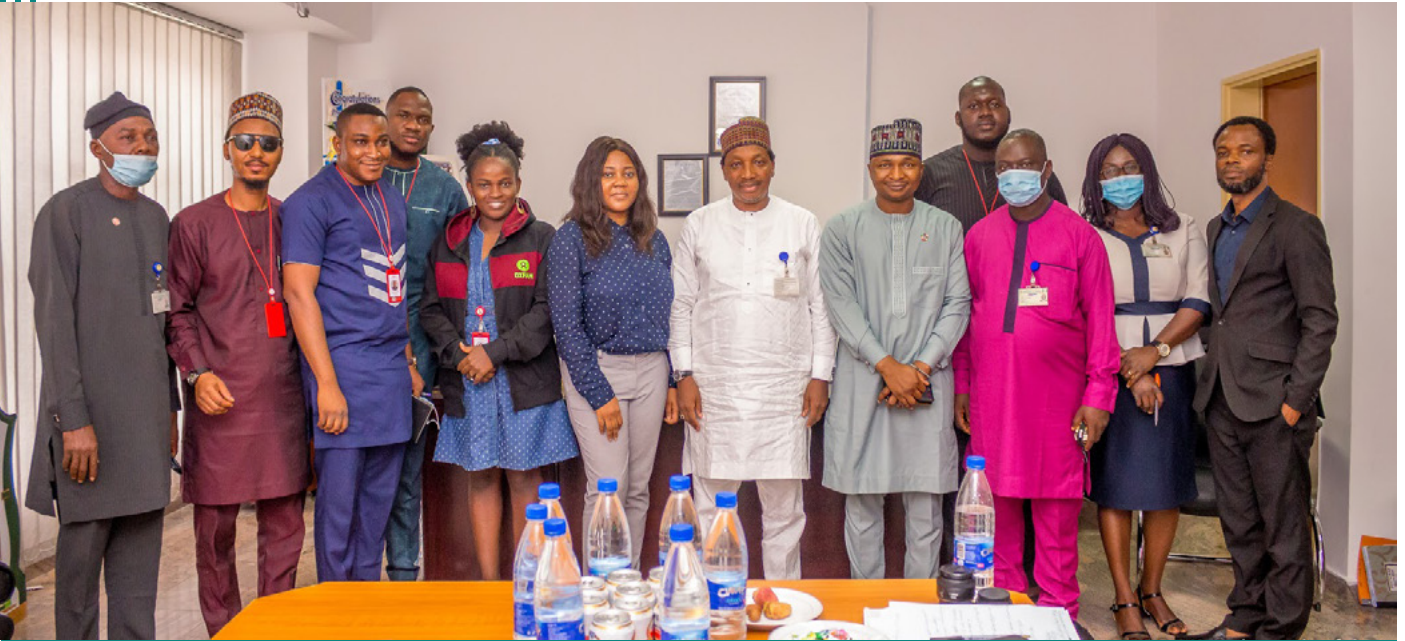
On the 20th of March, 2020, in order to foster partnership with the ICPC, on the Money trail project, CODE embarked on an advocacy visit to the commission. Some top officials were present including board members of the ICPC. Various issues were discussed during the meeting, including the prosecutorial efforts on the case, challenges and possible roadmaps to address IFF, especially in the extractive sector where it is more susceptible. The team gathered that the ICPC had little investigative and prosecutorial nexus with the Malabu Scandal as they stated that the Economic and Financial Crimes Commission (EFCC) undertook bulk of the investigation and prosecution from inception.

Advocacy Visit to the Office of Auditor General for the Federation on the Federal Audit Service Commission Bill and the Malabu Scandal



Through our robust engagements on the Money Trail project, on the 17th of June 2020, Connected Development team paid a courtesy visit to the Special Adviser to the Auditor General of the Federation to garner their support and collaboration for the project and joint advocacy on the passage of the Federal Audit Service Commission Bill. A major outcome from the meeting was that the Auditor General's office committed to partner with CODE on its Follow the Money Initiative for performance audits of MDAs and social projects.

Advocacy Visit to Senate Public Accounts Committee



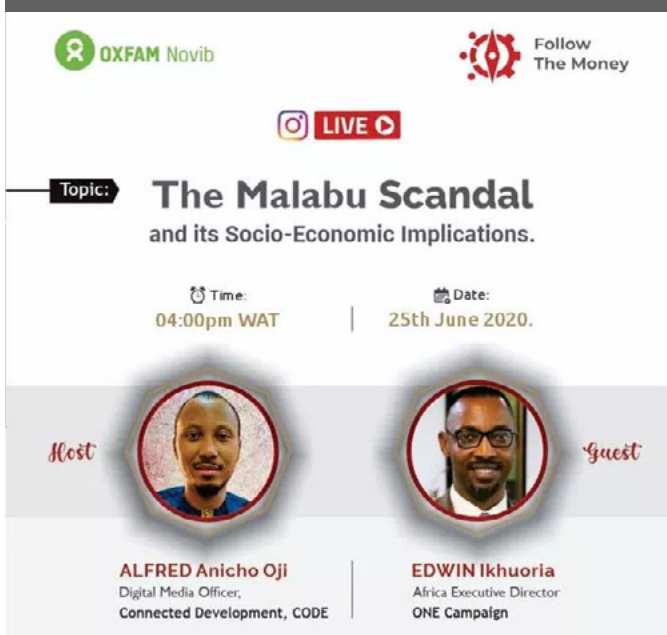
CODE team led by its CEO, Hamzat Lawal with the Director, PAC (middle) and other officials

On the 30th September, 2020, in order to inter alia determine the challenges on the enactment of the Audit Bill, the oversight workings of the Public Accounts Committee (PAC) and foster collaboration with the Senate Public Accounts Committee Department of the National Assembly on the Money trail project, CODE embarked on an advocacy visit to the committee/department. The Director and other top officials were present in the meeting.

During the meeting, CODE briefed the Director of the aims of the Money Trail project in strengthening Nigeria's public finance system and making it more auditable. It was also discovered that the Audit Bill was being given the needed legislative attention again despite previous setbacks. By the end of the meeting, the Director solicited a collaboration with CODE/FollowTheMoney, invited CODE to meet with the Senate's PAC Chairman for broader deliberations, and promised to invite CODE in subsequent public audit hearings.

Tweet Chat / Facebook / IG Live on the Malabu Scandal and its socio-economic implications

To further deepen the conversations and amplify findings on the Malabu Scandal, we organised our tweetchats on the 28th of May, Facebook live on the 10th of June, and IG Live series on the 28th of June, 2020. Focus for each of these conversations were:



The poster features logos for OXFAM Novib and Follow The Money. It includes an Instagram LIVE icon. The topic is 'The Malabu Scandal and its Socio-Economic Implications.' The time is 04:00pm WAT and the date is 25th June 2020. The host is Alfred Anicho Oji, Digital Media Officer at CODE. The guest is Edwin Ikhuoria, Africa Executive Director at ONE Campaign.

- What role(s) does the office of the AuGF play in strengthening Nigeria's public finance system and anti-corruption efforts?,
- Why is the Auditor-General, the Auditor-General **FOR** the Federation and not **OF** the Federation?,
- The AuGF reported that 65 MDAs had never submitted their financial statements for audit since January 12 2017 when he assumed office.
- Also, the 2017 Audit Report published by the AuGF had defaulting MDAs rising to 265, from 160 in 2016.
- How does the Audit Bill remedy this issue?

These conversations provided the platforms for citizens to jump on these issues and amplify the need and steps required for the government to strengthen the legislative framework as an instrument to curb corruption and streamline public accountability across sectors and institutions in Nigeria.

Our facebook live reached 189 people; Our Instagram Live reached 181 people; and Tweetchat reached 106,060 potential reach and 2.7M impressions.

Town Hall Meeting on the #followthemoney Platform

Follow The Money

OXFAM Novib

Money Trail Open Discussion & **TOWNHALL MEETING**
#AuditMoneyTrail

TOPIC
The Office of the AuGF, 'Challenges and Citizens' Engagement

Featuring

Kingsley Agu
Kaduna Chapter Lead
Follow The Money

Maria Mark Mshelia
Programs Assistant
Connected Development

Lawal Abdulganiyu
Programs Assistant/Data Analyst
Connected Development

On www.ifollowthemoney.org

1:00pm WAT | Thursday 4th, June, 2020.

Follow The Money | @lowthemoney | ifollowthemoneyng | www.followthemoneyng.org

To widen our reach on the campaign, Connected Development utilized its social accountability platform “ifollowthemoney.org” with over 7,400 volunteers to build more momentum and activate citizens ownership of the project and anti-corruption campaign. We organised a town hall meeting on the 4th of June 2020 and presented participants with updates and information on the Malabu scandal and the dire need for the passage of the Audit bill.

Symposium on the Malabu “OPL 245” Scandal; Galvanizing citizens against corruption

OXFAM Novib

CODE

A Symposium on the Malabu “OPL 245” Scandal
Galvanizing Citizens Against Corruption

12pm - 2pm
11th of June 2020
Register: bit.ly/SymposiumGCAC

Moderator:
Charles Uche Esq.
Staff Attorney
Connected Development
CODE

Guest:
Barnaby Pace
Senior Campaign Investigator
GLOBAL WITNESS

Guest:
Idris Akinbajo
Managing Editor
PREMIUM TIMES

Connected Development | @connected_dev | @connected_dev | www.connecteddevelopment.org

Over the years, there have been varying interventions and contributions from international donors and civil society organisations on the Malabu Scandal with more current updates and factual findings from investigative journalists and cross jurisdictional court proceedings (civil/criminal). In order to provide the public with the latest development on the case, CODE/OXFAM Novib organised a symposium on the 11th of June 2020, in partnership with Global Witness and Premium Times centre for Investigative journalism.

During the symposium, Barnaby Pace (senior Campaigner/Investigator, Global Witness) provided updates on the court proceedings in the United Kingdom and Italy. He further highlighted that the Nigerian Government had successfully obtained an order from a Canadian Judge confiscating an asset (Private Jet) belonging to Dan Etete purchased with proceeds of the Malabu Scandal.

Also Idris Akinbajo (Managing-Editor, Premium Times) provided participants with current findings on the malabu scandal, its direct impacts on citizens and the dwindling sectoral and economic crisis affecting mostly the marginalized populace.

Through the symposium, we reached over 900 persons on Facebook and had 198 participants attend the event on Zoom.

A Webinar on Nigeria's Anti- Corruption War; A Malabu Scandal Perspective

In a bid to elaborate and continuously paint a clear picture on the urgency for citizens to collectively take actions whilst updating them on happening around the Malabu Scandal, we organised a virtual discussion on facebook on Tuesday the 6th of July 2020 with 3 panelists (Oluwadare Kolawole Deputy Director, SERAP; Margot Gibbs, senior Reporter Finance Uncovered; and Folahan Johnson, Extractive Lead BudgIT) who shared insights on the happenings and developments around the Malabu Scandal, highlighting that The Malabu Scandal indicts top Nigerian ex-officials such as; Former Attorney General of the Federation, Mohammed Adoke; Former Minister of Petroleum Resources, Alison Deziani,

Dan Etete, and others many of whom are currently being prosecuted by the EFCC.

Major highlights from the event revealed to the public that While investigations and trials are still ongoing in Nigeria and other western countries, no one has been convicted in Nigeria till date. The Scandal has also set off a series of multifaceted litigations and criminal prosecutions against the litany of local and foreign actors in several jurisdictions including Italy, France, Netherland, Switzerland, United States and Britain. Some of these foreign courts have also indicted Shell, Eni and convicted a few Nigerian actors including Emeka Obi in Italy. Find a full report [here](#); listen to our conversation [here](#) and watch the Facebook live [here](#)

The graphic is a promotional poster for a webinar. At the top, it features logos for OXFAM Novib, Facebook LIVE, and 'Follow The Money'. The main title is 'Nigeria's anti-corruption war; Malabu Scandal Perspective.' Below the title, it states the date and time: 'Tuesday, 7th July, 2020 | 10:00am'. The central focus is on the moderator, Kevwe Oghide, with her photo and title 'Moderator'. Below her are three speakers: Oluwadare Kolawole Esq (Deputy Director, SERAP), Margot Gibbs (Senior Reporter, Finance Uncovered), and Folahan Johnson (Extractive Lead, BudgIT). At the bottom, it provides the join link: 'Join via: https://m.facebook.com/followthemoneyng' and social media handles for Facebook, Twitter, Instagram, and the website.

A Mega Anti- Corruption Town Hall Meeting on The Federal Audit Service Commission Bill



OPEN DIALOGUE ON THE FEDERAL AUDIT SERVICE COMMISSION BILL

MEGA ANTI-CORRUPTION TOWN HALL MEETING



Busayo Morakinyo
Community Engagement Manager
Connected Development
CODE



Hyeladzira Mshelia
Programmes Assitant
Connected Development
CODE



Olanrewaju Suraju
Chair, Human and environmental
Development Agenda (HEDA)



Lucy Abagi
Programmes Lead
Connected Development
CODE



Eze Onyekpere
Lead Director
The Centre for Social Justice (CSJ)



10:00AM



21st July, 2020



zoom

Register

<http://bit.do/AnticorruptionTownhall>



Connected Development



connected_dev



@connected_dev



www.connecteddevelopment.org

To balance the narrative and create a platform for the government to dialogue with citizens on their position, actions and steps towards bringing justice to the Nigerian people on the Malabu scandal and mitigate against future occurrences through policy institutionalization against grand corruption and illicit financial flow, We organized a town hall on the 21st of July, 2020. Public institutions invited included the: Independent Corrupt Practices And Other Related Offences Commission [ICPC]; Office of the Auditor General for the Federation [AuGF]; Economic and Financial Crimes Commission [EFCC]; Accountant-General of the Federation [OAGF]; Fiscal Responsibility Commission [FRC]; National Assembly; and Federal Ministry of Finance.

Issues surrounding the malabu scandal and the federal audit bill were critically and evidentially analyzed as robust interventions were made by the different speakers, most notable and outstanding was that Charles Abana Esq., the Head of Legal, Compliance and Enforcement of the Fiscal Responsibility Commission pledged the Commission's support in ensuring the enactment of the Federal Audit Service Commission Bill (FASCB) to strengthen Nigeria's public finance system which is also the Commission's goal.

The meeting recorded 137 participants on zoom.

Find attendance matrix [here](#) and zoom recording [here](#). Find full details [here](#)

Write Your Legislator Campaign



WRITE YOUR LEGISLATURE

**A Call for Citizens
to Write to their
Representatives in the
National Assembly
to Pass the
Federal Audit Service
Commission Bill [FASCB]**

To be part of this, register via
<https://cutt.ly/YyMGDLU>



In order to engage citizens to take ownership of the process and anti-corruption campaign towards strengthening the public audit regime by petitioning their legislators to support the federal audit service commission bill and accelerate its enactment. CODE utilized its zonal and state structure to mobilize over 300 citizens who delivered 651 letters to their representatives. This campaign was further amplified on CODE's social media platform as citizens took to their handles to amplify their voices and tweet directly at their legislators on the need for them to pass the audit bill. Currently, few responses have been gathered from some legislators in support of the bill, however, the bill continues to receive significant push back from some government stakeholders.



Amplifying Voices and Galvanizing Citizens Against Corruption Through Strategic Radio Advocacy, Sensitization & Bulk SMS



Public Finance Audit and The Malabu Scandal

Findings and Recommendations

#AuditMoneyTrail

Join

Charles Uche Esq.
Staff Attorney
Connected Development
CODE



Friday 19th June, 2020
6:15PM

In achieving the project goal, CODE utilized Follow The Money Radio on Kiss FM 99.9 and Bulk SMS dispatch as a means to reach more citizens especially rural dwellers across hard to reach communities to massively transmit our campaign and create awareness on the Malabu Scandal and the Audit bill. Five episodes of the radio program were aired reaching over 5 million people and a series of bulk sms were dispatched.

Episode One - [Here](#) Episode Two - [Here](#) Episode Three - [Here](#)
Episode Four - [Here](#) Episode Five - [Here](#)

Social Media Advocacy Reach

A team of social media influencers were engaged to further amplify the Malabu Scandal, its effects on the socio-economic growth of Nigeria and the urgency required to pass the audit bill. Through these engagements and well crafted messages, we trended the #AuditMoneytrail, #AuditOurMoney and #AuditFinanceNG for 3 days and recorded a reach of 1,311,493 users, 1,820,152 users and 1,942,267 users, respectively. This social media engagement was very strategic as it fitted perfectly into the NDDC probe ongoing at that time.

Comprehensively, throughout the project lifespan:

- On Twitter, we gathered over 5000 tweets, 5Million potential reach, mentions and an average of 42.6M potential impressions.
- On Facebook, our posts reached 1,262 accounts, and we had 85 likes.
- On Instagram, our posts reached 181 accounts.

Project Outcomes

Due to the intense, strategic advocacy and citizens-led campaigns:

- The Companies and Allied Matters 'CAMA' enacted in 2020 to repeal the 1990 version - by virtue of Section 119 - broadened the beneficial ownership disclosure obligation beyond Public Limited Liability companies (PLC) to Private Limited Liability companies (LTD) to entrench and enhance extractive transparency and accountability and curb illicit financial flow in the oil and gas sector.
- The Federal Audit Service Commission Bill was revived and reintroduced for first reading at the floor of the National Assembly for enactment.
- The Nigerian National Petroleum Corporation (NNPC), for the first time since its establishment (43 years), published its annual financial statements. A national galvanization of citizens against corruption, public audit and finance leakages as seen in the Malabu "OPL 245" scandal and the recent NDDC financial scandal(s) and public hearings.
- The Senate Constitution Review Committee called for the submission of Memoranda on the alteration of provisions of the Constitution and Point 9 of the Call acknowledged and provided for the "Strengthening of Independence and Oversight of an Office created by the Constitution". Pursuant to that Call, Connected Development submitted a comprehensive Memorandum to the Committee on altering/repealing sections of the Constitution which inhibit the independence and oversight of the Auditor-General for the Federation.



Challenges and Lessons Learnt

- Due to the COVID-19 Pandemic and lockdown, we were limited to the virtual space for most of our activities. A major challenge as a result of this was poor network during virtual engagements, impeding our reach and projected outcomes.
- The pandemic stalled our planned engagements with top governmental agencies, the federal legislators and the Presidency. Notwithstanding, we kept utilizing diverse approaches to reach more citizens and decision makers.

Next Steps

- Sustain the advocacy for the passage and assent of the FASC Bill, leveraging the over 7400 ifollowthemoney.org volunteers, social media tools, media publications and targeted stakeholder engagements.
- Advocate for the repeal of Section 85(3) of the Constitution to allow and empower the AuGF to audit statutory corporations, commissions and bodies.
- Advocate for the replication of Audit laws and frameworks at sub-national level.
- Conduct a needs assessment and activate citizens led campaigns on the status of educational, health and WASH facilities across oil rich states as an evidence on the crippling effects of illicit financial flow in marginalized communities.

About

Connected Development

Founded in 2012, Connected Development [CODE] is a non-governmental organization [NGO] whose mission is to empower marginalized communities in Africa. We strengthen local communities by creating platforms for dialogue, enabling informed debate, and building capacities of citizens on how to hold their government accountable through FollowTheMoney.

CODE provides marginalized and vulnerable communities with resources to amplify their voices with independence and integrity while providing the communities with information that ushers social and economic progress. To enhance effective democratic governance and accountability, CODE creates platforms [mobile and web technologies] that close the feedback loop between citizens and the government. With global expertise and reach, we focus on community outreach, influencing policies, practices, and knowledge mobilization. CODE's commitment to participatory capacity & community building and monitoring and evaluation creates effective and sustainable programs even within the most challenging environments.

In 2016, CODE won the ONE Africa Award which recognizes, rewards and advances the exceptional work of African based organisations; dedicated to helping the continent achieve the Sustainable Development Goals. Also in May 2019, during the United Nations SDG Global Festival of Action in Bonn, Germany, FollowTheMoney won the UN SDG Mobilizer Award. The Award is aimed at recognizing changemakers and organizations who demonstrate more successes in mobilizing citizens or volunteers to act for the realization of SDGs 2030 agenda. Also, during the Council of Europe's World Forum for Democracy 2019 in Strasbourg France, FollowTheMoney won the Democracy Innovation Award.

This award recognizes FollowTheMoney as one of the leading ground-breaking initiatives in the world, that promotes democratic principles and influences government's policies for the acceleration of socio-economic developments.

