





**PANELLIST PRESENTATION ON THE
EIGHTH MEETING OF THE WORKING
GROUP ON FIREARMS VIENNA
AUSTRIA**

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TOPIC

Reducing Illicit Financial and Arms Flows to achieve Target 16.4 of the Sustainable Development Goals: Perspectives from Nigeria

INTRODUCTION



Source: CNN

violent extremist groups such as Al-Qaida in the Maghreb, Al- Shabaab, Boko Haram Terrorist and the Islamic State of West Africa Province are some of the observed to exploit illicit financial and arms flow in Africa with devastating effects on international security.

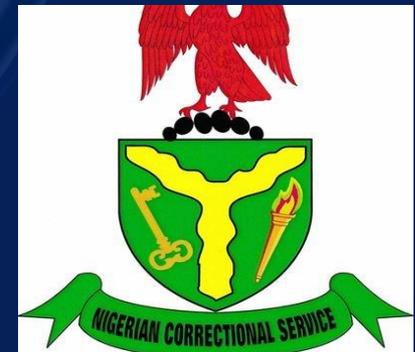
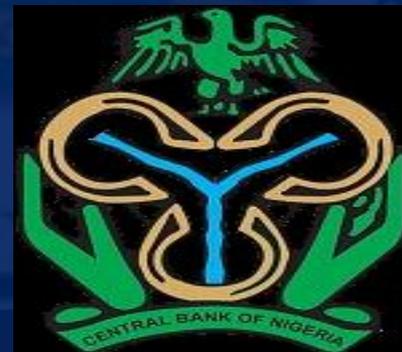
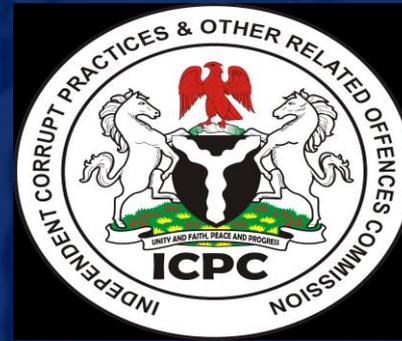
Illicit Firearms Trafficking and Illicit Financial Flows in the Context of Nigeria: the Linkages

- ❖ The West Africa sub-region have witnessed a great amount of overlapping or mutually reinforcing criminal economies
- ❖ In Nigeria, illicit firearms trafficking and illicit financial flows are inextricably linked
- ❖ Illicit firearm are often purchased through criminal proceeds such as kidnapping for ransom, banditry and cattle rustling, drug trafficking, armed robbery, maritime piracy among others
- ❖ There are several methods of financial flows in Nigeria that are vulnerable and prevalent in illicit dealing that relate to firearms.
- ❖ These include cash flows, wire transfers and money or value transfer services and transfer of virtual assets and currencies
- ❖ Money-laundering is also one important means of illicit financial flows that is inextricably linked to illicit firearm trafficking in Nigeria
- ❖ The linkages between illicit firearms trafficking and Terrorist financing in Nigeria is evident in the modus operandi of terrorist organisations
- ❖ BHT also uses both legitimate and illegitimate methods in sourcing and transferring funds
- ❖ BHT also exploit the use of other Financial Institutions like Bureau de Change to move funds

NIGERIA'S EFFORTS AND RESPONSES TOWARDS COUNTERING ILLICIT FINANCING AND ARMS FLOWS

- ❖ The 1959 Firearm Act of Nigeria
- ❖ *There have been issues of clarity in license acquisition processes, criminal diversion of firearms, porous and weak border enforcement mechanisms*

Key Agencies established by Nigeria Government to combat illicit financial and arms flow



NIGERIA'S EFFORTS AND RESPONSES TOWARDS COUNTERING ILLICIT FINANCING AND ARMS FLOWS (CONT)

- ❖ National Centre for the Control of Small Arms and Light Weapons
- ❖ The Nigerian Government has forwarded a Draft Bill for the enactment of a National Center for the Control Small and Light Weapons
- ❖ National Cyber Security and Strategy Policy 2021
- ❖ Nigeria ratified its membership of the Inter-Governmental Action Group against Money Laundering in West Africa
- ❖ Nigeria enacted into law the Terrorism Prevention Act of 2013 as amended
- ❖ In line with global best practices, the Federal Government established the Nigerian Financial Intelligence Unit

Inspite of the efforts of the NFIU, Police and other agencies so far, illicit financial and arms flow have remained prevalent

NATIONAL RISK ASSESSMENT

- ❖ **Financial Action Task Force (FATF)'s recommendations one requires all countries to conduct a national risk assessment**
- ❖ **Nigeria has complied with this prescription with the successful conclusion of the country's first National (Money Laundering and Terrorism Financing) Risk Assessment (NRA) exercise in 2016**
- ❖ **CBN regulations, for example, require specific customer due diligence for wire transfers and require that names and assets are never anonymous.**
- ❖ **It is also generally required that bankers research the depositors and recipients of cash.**
- ❖ **This is in addition to prohibiting banks from keeping accounts in fictitious names.**
- ❖ **The recent introduction of the Bank Verification Number (BVN) represents another dynamic measure in the fight against terrorist financing**

RECOMMENDATIONS

1. Ensuring that member countries especially developing countries establish and facilitate the establishment of a national coordination infrastructure for the control of illicit arms while ensuring stronger collaborations with financial intelligence institutions.
2. Member Countries especially the developing countries should improve border security management and governance regimes
3. The UNODC and UNTOC Working Group should assist member states in the building of capacity of relevant state agencies and officials on contemporary
4. Methods and strategies to reduce illicit financial and arms flows. This will ensure a better cooperation and effective coordination among the various relevant agencies saddled with illicit financial and firearms trafficking control.
5. The UNODC and the UNTOC Working Group on Fire Arms should ensure improve compliance to international protocols and cooperation with international agencies in terms of information sharing and capacity development.