Failures in the Fight against Economic and Financial Crimes in Nigeria: Reasons and Panaceas

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Abstract

Corruption, money laundering and cybercrimes otherwise known as 'Yahoo Yahoo' have become a cankerworm to the economic survival of Nigeria as a Nation. Using doctrinal research method, this paper examines the existing laws as well as the operational frameworks for the fight against economic and financial crimes in Nigeria with the target of interrogating the reasons for the failure in the fight against economic and financial crimes in Nigeria. The study finds that; amongst the reasons for the failure in the fight against economic and financial crimes in Nigeria are corruption, overburdened weak judicial system, fraudulent practices by defense attorneys and government interference. The paper identified the need for the amendment of the Nigerian Economic and Financial Crime Commission Act, Money Laundering Act, and Cybercrimes Act to strengthen their ability to curb the emerging threats from crypto currency-related and cross-border financial crimes in Nigeria.

Keywords: Failure, Legal, Operational frameworks, Economic and financial crimes in Nigeria; Why, Panacea.

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1. Introduction

Economic and Financial crimes in the contemporary world now constitute a significant threat to the stability, security and integrity of national and global financial systems. Financial crime which may involve fraud, corruption, and crime against property, basically is an unlawful conversion of the ownership of property herein including, monies and assets belonging to another to one's own personal use and benefit. Financial crimes may be carried out by individuals, corporations, or by organised crime groups and victims may include individuals, corporations, governments, and the entire world. Economic and Financial crime is a cancer that has eaten deeply into the fabric of Nigeria polity; majority of which are corruption,[1] embezzlement of public fund and interment fraud that solely rests on cybercrime.

In some instances, Fraud and Economic and Financial Crimes are commonly used interchangeably by scholars irrespective of their conceptual differences. Okunola, Lawal *et al* and Kehinde[2] argued that though the two concepts (fraud and Economic and Financial Crimes) are often used interchangeably, there is a need to make a distinction between them, at least for the sake of clarity and for better appreciation of their import in the study. They assert that Economic and Financial Crimes is mostly associated with public sector and public officials in view of Joubert's[3] definition of Economic and Financial Crimes as the practice of misuse of public positions.

The general global perception about graft in Nigeria is that it is generally acknowledged that corrupt practices are endemic and systemic in both public and private sectors of Nigeria. From the forgoing it is evident that corruption undermines the country's integrity and security.[4] According to Bryan *et al,*[5] corruption is:

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[1] O Eiya and Others, "Forensic accounting as a tool for fighting financial crime in Nigeria," (2013) *Research Journal of Finance and Accounting*, *4*(6), pp.18-25.

[2] D Arowolo, 'The State, Bureaucracy and Corruption in Nigeria'. An Unpublished MSc Dissertation. University of Ibadan, Department of Political Science, 2021

[3] *Ibid*

[4] A Ngwube and C Okoli, "The role of the economic financial crime commission in the fight against corruption in Nigeria," (2013) *Journal of Studies in Social Sciences*, *4*(1)

[5] AG Bryan (ed), *Black's Law Dictionary* (11th ed. Thomson Reuters, 2019), p.435

> An act done to give some advantage inconsistent with the official duty and rights of others. The act of Official or Judiciary person, who unlawfully wrongly uses his position or character to procure some benefit for himself or the right of others.

Nigeria's legal framework for combating cybercrime is anchored principally on the Cybercrimes (Prohibition, Prevention, etc.) Act 2015, this Act was comprehensively amended in 2024 to address emerging threats and technological advancement. This legislation represents a watershed in Nigeria's efforts to create a cohesive and effective legal regime for the prevention, detection, investigation, prosecution, and punishment of cybercrimes.

Complementing the Cybercrimes Act are statutes such as the Economic and Financial Crimes Commission (Establishment) Act 2004, which empowers the EFCC to investigate and prosecute economic and financial crimes, including cyber-enabled fraud. The Money Laundering (Prohibition) Act 2011 (as amended) and the Advance Fee Fraud and Other Related Offences Act also provide critical legal tools for combating financial crimes that often intersect with cybercrime.[6]

Successive Nigerian governments have tried to tackle corruption through legislation and the creation of anti-corruption agencies (ACAs). The most ambitious efforts occurred during the administration of President Olusegun Obasanjo, with the establishment of the Independent Corrupt Practices Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC). Both anti-corruption agencies (ACAs) are creations of statutes and the mandates of the two ACAs overlap, although the EFCC has a preventive mandate focusing purely on economic and financial crimes.[7]

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[6] EE Iyeomoan, 'Fighting Economic and Financial Crimes to Make Nigeria Great Again: A Doctrinal Analysis of Cybercrime Law and Policy,' (2025) <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5264583> Accessed on 3rd January, 2026

[7] E Onyema and Others, 'The economic and financial crimes commission and the politics of (in) effective implementation of Nigeria's anti-corruption policy,' (2018) *Anti-Corruption Evidence, Working Paper*, 7 <https://soas-repository.worktribe.com/OutputFile/392667> accessed on 3rd January, 2026

Structured into five parts, an analysis of the legal framework for the fight against economic and financial crimes in Nigeria follows this introduction. In part three, the paper discuses the operational frameworks for the fight against economic and financial crimes in Nigeria. In part four, the main gist of discussion is on why the failure in the fight against economic and financial crimes in Nigeria. It is in the fifth section that the paper ends with conclusion and proffers panaceas in form of recommendations on how to check the menace.

2. The Legal Frameworks for the Fight against Economic and Financial Crimes in Nigeria

i. The Constitution

The Constitution which is the *goundnorm* of all laws in Nigeria put in place a solid and firm foundation for the fight against economic and financial crimes in the country. In achieving this objective, the Constitution through the establishment of three arms of government i.e. executive, legislature and judiciary, clearly spread the shield of protection of the excesses of one arm of government by another; when there is check and balances, it will certainly reduce corruptive tendencies among the various arms of the government.[8] The Constitution mandates the government to abolish all corrupt practices and abuse of power in Nigeria,[9] empowers the National Assembly to engage into oversight function and enact laws to abolish all corrupt practices and abuse of power.[10]

Apart from creating the offices of Auditor General of the Federation and Auditor General for each state of the federation meant to fight corruption in the country,[11] the Constitution also, prohibits persons convicted for dishonesty, bribery and corrupt practices from occupying public offices, such as office of a Senator, member House of Representative, member State House of Assembly, President,

[8] Constitution of the Federal Republic of Nigeria, ss. 4, 5 and 6.

[9] *Ibid*, The Exclusive Legislative List Part One of the 2nd Schedule, Item 60 (a)

[10] The major laws enacted by National Assembly to fight corrupt practices include: Economic and Financial Crimes Commission (Establishment) Act, Corrupt Practices and Other Related Offences Commission Act, Code of Conduct Bureau and Tribunal Act, 2004, Recovery of Public Property (Special Provisions) Act, 2004, etc.

[11] Constitution of the Federal Republic of Nigeria, ss. 85 and 125.

Governor etc. provides the Code of Conducts for public officers,[12] which inter-alia mandated public officers whether elected or appointed or those in civil service to declare their assets and liabilities by completing and filing their respective Declaration of Assets Forms at the time of assuming and exiting an office or after every four years while in service. Unfortunately however, some of the provisions in the Constitution particularly those related to immunity[13] have been a serious clog in holding executive accountable for their misdeeds while in office.

ii. Economic and Financial Crimes Commission (EFCC) Act 2004

The Economic and Financial Crime Commission Act, is the major Act that established the main body saddled with the function of fighting financial related vices in Nigeria. The main statutory function of the Commission is the achievement of financial stability and economic growth in Nigeria through the tackling of fraudulent activities in and out of the financial institutions and in the Nigerian public sectors. In a jiffy, the EFCC Act is the cornerstone of Nigeria's legal framework for combating economic and financial crimes. Section 1 of the Act[14] provides that;

> There is established a body to be known as the Economic and Financial Crimes Commission (in this Act referred to as "the Commission") which shall be constituted in accordance with and shall have such functions as are conferred on it by this Act.

Established in 2004, partly in response to pressure from the Financial Action Task Force (FATF) on money laundering; an inter-governmental group that set the global anti-money launders standards. The group in 2001 named Nigeria as one of the 23 non-cooperative jurisdictions in the International community's effort to fight money laundering.[15] The EFCC is tasked with investigating and prosecuting

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[12] Constitution of the Federal Republic of Nigeria, ss. 66 (1)(d), 107 (1)(b), 137 (1) (d) and 182 (1)(d).

[13] Constitution of the Federal Republic of Nigeria, s. 308

[14] Economic and Financial Crime Commission (Establishment) Act, Cap C23, Laws of the Federation of Nigeria, 2004.

[15] OR Folagbade, 'The roles of Regulatory Institutions in unraveling Crime Complicity in Nigerian Banks,' (2024) 2, *Unilorin Journal of Business and Corporate Law* 56

offenses related to economic and financial crimes, including money laundering, fraud, and corruption. Section 46 of the Act[16] defines financial crimes as 'non-violent criminal and illicit activity committed with the objective of earning wealth illegally'. The Act empowers the EFCC to seize assets acquired through illicit means and to collaborate with international agencies in tackling cross-border financial crimes. The Act also empowered the EFCC to enforce both Money Laundering Act and Advance Fee Fraud and Other Fraud Related Offences Act, 2006.

Additionally, while executing their duty, Economic and Financial Crimes Commission by law has an unlimited authority to prosecute all cases of financial crimes whether created by the Economic and Financial Crimes Commission Act or any other law in so far as the act falls under the classification of financial crime. In fact by virtue of Section 7(2) (a-f) of the EFCC Act, 2004, all financial related offences created by the Nigerian Criminal Code and Penal Code are also to be investigated and prosecuted by the Economic and Financial Crimes Commission.

The Act creates several offences in respect of financial and economic crimes and prescribes series of punishments upon conviction. It is important to note that the Act also provides for forfeiture of property involved in financial and economic crimes where a person is convicted of an offence under the Act. The convict shall forfeit the property involved to the Federal Government.[17] In section 19 of the EFCC Act, 2004, The Federal High Court and High Court of a State or the Federal Capital Territory have concurrent jurisdiction to try offences provided by the Act.

According the Act,[18] economic and financial crimes is a non-violent criminal and illicit activity committed with the objectives of earning wealth illegally either individually or in a group or organised manner thereby violating existing legislation governing the economic activities of government and its administration and including any form of fraud, narcotic drug trafficking, money laundering, embezzlement, bribery,

[16] Economic and Financial Crimes Commission (EFCC) Act, 2004

[17] Economic and Financial Crime Commission Act ss. 20 and 30

[18] Economic and Financial Crime Act, s.46

looting and any form of corrupt malpractices, illegal arms deal, smuggling, human trafficking and child labour, illegal oil bunkering and illegal mining, tax evasion, foreign exchange malpractices including counterfeiting of currency, theft of intellectual property and piracy, open market abuse, dumping of toxic wastes and prohibited goods, etc. This definition through the use of *ejusdem* generis rule of interpretation was applied by the Supreme Court in the case of *Nwobike v F.R.N.*[19]

iii. Corrupt practices and other related Offences Commission Act, 2000

The Corrupt Practices and Other Related Offences Act, 2000 (ICPC Act), was enacted three years before the enactment of the EFCC Act. The ICPC Act is the first major legislation made which mainly focuses on combating corruption in Nigeria, especially which relates to offering and soliciting bribery or gratification in public service.[20] The Act came into force on 13th June, 2000 after former President Olusegun Obasanjo assented to the bill. About a year after the Act came into force, its constitutionality was challenged in the case of *Attorney-General of Ondo State v Attorney-General of the Federation 35 0rs.*[21] In September 2002, the Supreme Court upheld the constitutionality of the Act, though the Court in the said case knocked down two sections of the Act[22] and declared them unconstitutional. The Act consists of 71 sections.

The major components of the Act include the establishment of the Independent Corrupt Practices and Other Related Offences Commission, appointments of its principal officers and its powers and functions,[23] offences and their penalties,[24] investigation, searches,

[19] [2022] 6 NWLR (Part 1826) 293

[20] AA Lukman, "Using Specialised Anti-Corruption Agencies to Combat Pervasive Corruption in Nigeria: a Critical Review of the ICPC and EFCC, *African Journal of Legal Studies* [2020], 12, p.222

[21] 2 [2002] 9 NWLR (Part 772) 222–474.

[22] ICPC Act, ss. 26 (3) and 35

[23] ICPC Act, ss. 2-7

[24] *Ibid*, ss. 8-26

seizures and arrests,[25] provisions relating to Commission's chairman,[26] evidence, prosecution and trial offences, etc.[27] It is worthy of note that apart from the establishment of the Independent Corrupt Practices and Other Related Offences Commission (ICPC), conferring it with powers to investigate and prosecute criminal cases, criminalising several actions and inactions and prescribing punishments against defaulters.

It is important to note that the Act prohibits a very wide number of conducts that are generally considered as corrupt practices, unlawful enrichment or gratification. The prohibited conducts include offering, demanding, soliciting, giving and/or accepting property or benefit of any kind directly or indirectly in the discharge of one's official duties. The Act which inter-alia aims to punish both the giver and the receiver of bribes and gratification mandates the public officers to report anybody who offers them a bribe and equally the Act mandates the public to report any public officer who demands for bribe or gratification.[28] The major limitation in the Act is that it focuses largely on corruption in the public sector and could not adequately make provisions with respect to corruption in the private sector.

iv. Code of Conduct Bureau and Tribunal Act, 2004

The Act which consists of 27 sections and three schedules can be broadly divided into three parts, namely: part that establishes the Code of Conduct Bureau and its Tribunal,[29] part that listed the code of conducts for public officers[30] and the part that consists of prescribed punishments to be meted out upon any public officer found guilty of violating the said Code of Conduct.[31] The Code of Conduct for public officer as provided by the Act includes that a public officer shall not put himself in a position where his interest conflicts with his official duties and responsibilities.[32] It is trite to note that, the Code of Conduct

[25] *Ibid,* ss. 27-42.
[26] *Ibid*, ss. 43-52
[27] *Ibid*, ss. 53-64.
[28] ICPC Act, s. 8.
[29] CCBT Act, ss. 1-4 and 20-25.
[30] *Ibid*, ss. 5-15.
[31] *Ibid*, ss. 23
[32] CCBT Act, s. 5

of public officers provided by the Code of Conduct Bureau and Tribunal Act is exactly similar with the Code provided by the Constitution in part I and part II of 5th Schedule of the CFRN 1999 (as amended).

The Code mandates public officers to submit to the Bureau a written declaration in a prescribed form of all their properties, assets and liabilities and those of their spouse and his unmarried children under the age of twenty-one years, immediately after he assumes duty as public officer, renew the declaration at the end of every four years or at the end of his term of office.[33] Failure to submit to the Bureau written declaration or give false information in the submitted form constitutes a violation of the Code.

A defaulting public officer could be tried before the Code of conducts Tribunal established by the Act.[34]
It is within the exclusive jurisdiction of the Bureau to receive complaint, investigate and lay a complaint against a public officer before the Tribunal for violation of the Code provided by the Act. In the case of *Ahmed & Ors v. Ahmed &Ors*[35] the Supreme Court, confirmed the exclusive jurisdiction of the Code of Conduct Bureau and its Tribunal on matters relating to violation of the Act. The Tribunal has only one panel which consists of a chairman and two members and the panel sits at Abuja and it does not have the power to impose a fine or a term of imprisonment. However, the punishments provided by the Act are without prejudice to the penalties that may be imposed by any law where the breach of conduct is also a criminal offence.

v. Money Laundering (prevention and prohibition) Act, 2022
Money laundering which consists of processing of the proceeds of crime so as to disguise their origin and convert the money laundered to look as legitimate money by employing various procedures and methods to conceal their true origin and ownership.[36] The Money Laundering Act 2022 has 31 sections and is divided into five parts.

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[33] *Ibid*, s. 15
[34] *Ibid*, s. 20
[35] (2013) LPELR 21143 SC.
[36] *Ibid*

The Act provides a procedure for making and accepting cash payments with a view to ensuring that certain levels of payments go through the financial institutions. This is to enable relevant agencies to monitor financial transactions for the purpose of detecting, tracing and investigation of illegally acquired funds.[37] The Act also makes it mandatory to report any transfer to or from a foreign country of funds or securities carried out by a person or body corporate including Money Services Business of a sum exceeding $10, 000 or its equivalent within 7 days from the date of the transaction to the Central Bank of Nigeria (CBN) and the Securities and Exchange Commission (SEC).[38]

The Act further provides that anybody transporting in or out of the country cash or negotiable instruments in excess of $10, 000 or its equivalent shall declare same to the Nigerian Customs Service and the Nigerian Customs Services shall turn report the report it received to the CBN and the Nigerian Financial Intelligence Unit (NFIU).[39] Any person who falsely or fails to make such declaration shall upon conviction be to forfeit the undeclared funds or negotiable instrument or to imprisonment of not less than 2 years or both.[40] In the case of *Lamido v FRN* [41] Court of Appeal Kaduna Division affirmed the conviction of Appellant who is a son to former governor of Jigawa State Alhaji Sule Lamido for falsely declaring $10,000 instead of $50,000 which was in his possession while he was on his way to Cairo and charged under current section 5 (5) of the MLA and held that offence of money laundering is not strict liability offence, it requires *mensrea*.

Money laundering Act[42] also prohibits financial institution from opening anonymous account. The Act partially removes lawyer-client confidentiality as well as banking secrecy and confidentiality by making it mandatory on legal practitioners and bankers to report in writing within seven days, any single transaction, lodgment or transfer

[37] *Ibid*, s. 2 (1)(2).
[38] *Ibid,* s. 3 (1)(2).
[39] *Ibid*, s. 2 (3) (4).
[40] *Ibid*, s. 3 (5).
[41] (2015) LPELR 40763 (CA)
[42] MLA 2022, s. 12

of funds in excess of (a) N5,000,000 or its equivalent, in the case of an individual; or (b) N5,000,000 or its equivalent, in the case of a body corporate[43] However, recently, such provision as it relates to legal practitioner, was nullified by the Federal High Court.[44]

vi. Advance fee fraud and other fraud related offences act 2006

Advance Fee Fraud is used to describe several offences which consist of fraudulent activities of luring and inducing victims to finance project, investment or currency transaction, well disguised as it is genuine.[45] Victims of such type fraud are most of the times suffer from ignorance, greed or gullibility[46] In Nigeria this type of crime is commonly called 419 and is very rampant, hence, there is need to tackle it with strong legislation.[47] The Act creates several types of offences which consist of common and uncommon tricks used by fraudulent elements to defraud people.[48] The Act empowers the trial court to order for compensation upon conviction.[49]In the case of *Ntiem v. FRN*[50] one of the issues for determination in the case is the position of the law as regards to an order of restitution under section 11 of AFF Act 2006 and the court affirmed legality of order of restitution made by the trial court. The Federal High Court, the High Court of State and FCT have jurisdiction to try offences and impose penalties provided by the Act.[51] It is worthy of mention that advance fee fraud appear to be the most prevalent offence, accounting for 54 percent of all EFCC investigations in 2015, and 59 percent of investigations in both 2013 and 2014.[52]

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[43] *Ibid*, s. 11 (1).

[44] The Cable, 'Court expunges sections of law compelling lawyers to reveal clients' financial transactions, 3rd January, 2026, 4

[45] Abdullahi Y Shehu, *Strategies and Techniques of Prosecuting Economic and Financial Crimes* (Express Image Limited 2012), p.13.

[46] *Ibid*.

[47] *Ibid.*

[48] *Ibid*, s. 6.

[49] *Ibid*, s. 11.

[50] (2018) LPELR-44142(CA)

[51] *Ibid*, s. 14.

[52] Onyema *et al*., (n.7), p. 26

3. Operational Frameworks for Fight against Economic and Financial Crime in Nigeria.

i. Nigeria police force.

The Nigeria Police Force was established by section 214 of the Constitution and section 3 of the Nigeria Police Act,[53] which was repealed by the new Nigeria Police Act 2020. The Constitution provides that: There shall be a Police Force for Nigeria, which shall be known as the Nigeria Police Force, and subject to the provision of this section no other Police Force shall be established for the Federation or any part thereof.[54] The Nigeria Police Force is the primary and foremost law enforcement agency in Nigeria. The Force deploys its staff across the 36 states of the federation and the Federal Capital Territory (FCT). The control and command of the Nigeria Police Force is under the Inspector General of Police. For administrative convenience and easing duties, the Force is divided into eight (8) administrative departments, *viz*. Finance and Administration; Operations; Logistics; Force Criminal Investigation Department; Training; Research and Planning; Force Intelligence Bureau and Information and Communication Technology, each headed by a Deputy Inspector General of Police.

The Force is further divided into 17 operational Zonal Commands in each zone headed by Assistant Inspector General of Police. There are 37 State Commands including the Federal Capital Territory which are headed by a Commissioner of Police, there are Area Commands headed by an Assistant Commissioner of Police and the Division by officers in the Superintendent cadre[55] As was held in *Onah v. Okenwa,*[56] the major function of the police as provided under the Act is to prevent and detect crimes which apart from heinous crimes; corruption and other corruption related offences are included. Prior to the establishment of EFCC and ICPC, police used to be the major institution which is saddled with the responsibility of investigating and prosecuting corrupt practices.[57] All police formations in the country

[53] Cap P19 LFN 2004.

[54] Constitution of the Federal Republic of Nigeria, s 214.

[55] Nigeria Police Act 2020 (NP Act), s 4

[56] (2010) 7 NWLR (Pt. 1194) 512

[57] I David BD Shehu, 'Practical Ideological Peculiarities of Anti-Corruption Investigation in Nigeria', in Bolaji O, Sola A, and Elijah O. O, (eds.) *ICPC and*

have Anti-Fraud Units where corruption and corruption related offences are being investigated.[58]

ii. The Nigerian Financial Intelligent Unit (NFIU) and the Code of Conduct Bureau

The NFIU and Code of Conduct Bureau also play an important function in the prosecution of financial crimes by providing evidence and analysis of financial flows during trial.

iii. Economic and financial crimes commission.

Amongst the Anti-graft agencies in Nigeria, most commonly known and prominent of them which are on the lips of up-to-date Nigerians is the EFCC.[59] The EFCC has been in active fight against corruption since its establishment in 2003 and it has been involved in investigation of cases ranging from high profile corruption cases, advanced fee fraud, money laundering, tax evasion, contract scams, identity theft, illegal oil bunkering, bribery, looting, foreign exchange malpractices etc.[60] EFCC has been able to cleanse the banking sub-sector, sanitising it through investigation and prosecution of Chief Executives and other officials for Money Laundering and other frauds.[61]

The establishment of the EFCC has immensely assisted in move to restructure important agencies and institutions of government such as the Nigerian Police, Nigerian Customs Services and the National

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the War against Corruption in Nigeria: Reflection for a New Vision, (Anti-Corruption Academy of Nigeria, 2020), p.265; Emilia Onyema *et al* , (n.7)

[58] PO Itua Others, 'The Nigeria Police and the Fight Against Corruption: An Assessment of Government Policies,' IA Abdulqadir, (eds), Corruption and National Development, (Being conference proceedings of the 46th Annual Conference of the Nigerian Association of Law Teachers, held Auditorium and Faculty of Law University of Ilorin from 22nd to 26th April, 2013), p.66.

[59] SU Hassan, U Kasim, 'The Economic and Financial Crimes Commission and Corruption Management in Nigeria: A Perceptual Assessment of its Legal Framework, (2016) *Asian Journal of Social Sciences and Management Studies*, p.141

[60] N Arinze and O Chuka, 'The Role of the Economic Financial Crime Commission in the Fight against Corruption in Nigeria,' (2013 *Journal of Studies in Social Sciences* 102.

[61] *Ibid*

Drugs Law Enforcement Agency (NDLEA) by sanitising them of their hitherto immersed corruption.[62] The Commission was established by the Economic and Financial Crimes Commission Act. The Act confers on the Commission juristic personality, hence, it can sue and be sued in its corporate name and may, for the purposes of discharging its functions, acquire, hold or dispose of property whether moveable or immovable.[63]

The Board of the Commission is an inter-agency board which comprises 22 members, selected from all Nigerian Law Enforcement Agencies (LEAs) and regulators. Apart from the Commission's Chairman who shall be the chief executive and accounting officer of the Commission,[64] other members of the Board shall include the Governor of the Central Bank of Nigeria or his representative, one representative from Federal Ministries of Foreign Affairs, Finance and Justice, the Chairman of National Drugs Law Enforcement Agency or his representative, the Director-Generals of the National Intelligence Agency or his representative, Securities and Exchange Commission or his representative and the Department of State Security Services or his representative. Other members are the Registrar-General of the Corporate Affairs Commission or his representatives, the Managing Director of Nigeria Deposit Insurance Corporation or his representative, the Commissioner for Insurance or his representative, the Postmaster-General of the Nigeria Postal Service or his representative, the Chairman, Nigerian Communications Commission or his representative, the Comptroller-General of Nigeria Customs Service or his representative, the Comptroller-General of Nigeria Immigration Service or his representative, the Inspector-General of Police or his representative, four eminent Nigerians with cognate experience in finance, banking, law or accounting and the Secretary to the Commission who shall be the head of administration.[65]

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[62] OS Faboyede and Others, 'Prosper 'Economic and Financial Crimes Commission (EFCC) As A Strategy for Managing Nigerian External Reserves for Sustainable Development,' (2013) *Journal of Economics and Finance* 50

[63] EFCC Act, s 1 (1)(2) (a)(b).

[64] *Ibid,* s 2 (1)

[65] EFCC Act, s. 2 (1)(b)(c)

All members of the Board of the Commission other than the Chairman and the Secretary shall be part time members, but shall be appointed by the President and the appointment shall be subject to confirmation of the Senate for a period of four years and may be re-appointed for a further term of four years and no more.[66] The Commission's functions and powers are expressly stated by its establishment Act,[67] which extend from investigation to prosecution of anybody whether natural or artificial persons (corporate bodies) involved in advance fee fraud, money laundering, theft, outright looting public funds, embezzlement, bribery, smuggling, human trafficking, child labour, illegal arms transactions, oil bunkering, unauthorized mining, tax related offenses, cyber-crimes, foreign exchange malpractices, issuing dude cheque, currency counterfeiting, tracking, freezing as well as confiscation of proceeds of crime or any illegally acquired wealth including those of terrorist outfits.[68]

The EFCC establishment Act empowers the Commission to operate five units/sections, namely: The General and Assets Investigation Unit, the Legal and Prosecution Unit, the Research Unit, the Administration Unit and the Training Unit.[69] According to many scholars and anti-corruption crusaders, EFCC is the most promising agency in Nigeria which aggressively undertakes to fight corruption.[70] The EFCC is a vigorous and active organization but risks becoming overstuffed with bureaucracy that loses its elite status. The Commission's mandate to fight cybercrime or fraud in land transaction, for example, distracts it from its core mandate of fighting high profile corruption cases and purposefully economic crime which brought Nigeria to its knees.

iv. Independent corrupt practices and other related offences commission.

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[66] *Ibid*, ss. 2 (2) (3) and 3 (1).

[67] *Ibid*, ss. 6 and 7.

[68] OL Ethelbert, 'Economic and Financial Crimes Commission (EFCC) and the Challenges of Managing Corruption in Nigeria: a Critical Analysis,' (2016) *International Journal of Scientific and Research Publications* 341.

[69] EFCC Act, s 12 (1).

[70] Human Rights Watch (HRW), 'Corruption on Trial? The Record of Nigeria's Economic and Financial Crimes Commission' (HRW 2011) 1

The Commission was established by the Corrupt Practices and other Related Offences Act (ICPC Act).[71] The Commission is conferred with a juristic personality, perpetual succession and power to sue and be sued in its corporate name.[72] The court in *Auwalu v. FRN*[73] also affirmed this. The governing board of the Commission consists of a chairman and twelve members; two of them shall come from each of the six geo-political zones of the country, and among the said twelve members there must be, a retired Police Officer not below the rank of Commissioner of Police, a legal practitioner with at least 10 years post-call experience, a retired Judge of a superior court of record, a retired Public Servant not below the rank of a Director, a woman, a youth not being less than 21 or more than 30 years of age at the time of his or her appointment and a chartered accountant.[74]

As stated in the Act,[75] the Chairman and members of the Commission who shall be persons of proven and high standard integrity who shall be appointed by the President, upon confirmation by the Senate. The Chairman of the Commission shall hold office for a period of five years which may be renewed for another five years but shall not be renewed again. However, members of the Commission shall hold office for a period of four years and may be reappointed for another term of four years but shall not be eligible for reappointment thereafter.[76] The Commission is empowered to investigate and prosecute anybody who violates the provisions of its establishment Act and other related corruption offences created by any other law.[77] Similarly, in the course of investigation, the Commission can summon anybody reasonably suspected to have committed an offence under its establishment Act or to produce any document or article required for the purpose of investigation or to cause his arrest where he fails to honour the summons served on him.[78] The Commission is also empowered to conduct search on any premises after first obtaining

[71] ICPC Act, s 3 (1).
[72] *Ibid*, s 3 (2)
[73] (2018) ALL FWLR (PT.954), 294
[74] ICPC Act, s 3 (3).
[75] ICPC Act, s 3 (6).
[76] *Ibid,* s 3 (7)
[77] *Ibid*, s 3 (8) and (12)
[78] *Ibid*, s 28 and 29

court order to that effect[79] and may seize any property movable or immovable it reasonably suspected to be acquired through illegal means in violation of the provision of the Act.[80]

v. Code of Conduct Bureau

The Bureau was established by the Constitution[81] and the Code of Conduct Bureau and Tribunal Act (CCBT Act).[82] The Bureau is headed by a chairman and nine other members, who according to the Act, shall be persons of unimpeachable integrity and at the time of their appointment they shall not be less than fifty years old. The chairman and the members shall be appointed by the President subject to confirmation of the Senate. But they shall vacate office upon attaining the age of seventy.[83] The Bureau is empowered to receive declarations forms filled by public officers, examine the declarations forms in accordance with the requirements of the Code of Conduct or any other law, retain the custody of such declaration forms and make them available for inspection by any citizen of Nigeria on such terms and conditions as the National Assembly may prescribe, ensure compliance with and, where appropriate, enforce the provisions of the Code of Conduct or any law relating thereto, receive complaints about non-compliance with or breach of the provisions of the Code of Conduct or any law in relation thereto and to investigate complaint and where appropriate, refer such matters to the Code of Conduct Tribunal for trial.

The Bureau has eight operational departments, namely: Administration; Account and Finance; Education and Advocacy Services; Intelligence, Investigation and Monitoring; State and Local Government Services; Federal Republic Services; Human Resources Management; Federal Political Office Service and Legal Services.[84]

The Bureau became more pronounced and noticeable during the current regime of President Muhammad Buhari when the Bureau referred the case of former Chief Justice of Nigeria Justice Walter

[79] *Ibid*, s 36

[80] *Ibid*, s 37.

[81] CFRN, s 153 (1) (a).

[82] CCBT Act, s 1 (1).

[83] CFRN, s 1, the Third Schedule and CCBT Act, s 1 (2)(3)(4), part 1

[84] Code of Conduct Bureau, 'About Us'2026

Nkanu Onnoghen and the former Senate President Bukola Saraki to its Tribunal for trial on alleged offences of assets declaration malpractices.[85] The trial led to the disgraceful removal of the former Chief Justice of Nigeria Justice Onnoghen after his conviction by the Tribunal. The CCB is very important institution for watching the actions and behaviour of public officers in order to ensure that they discharge their duties with highest standard of morality and accountability.

vi. The Office of the Attorney General of the Federation (AGF)

The Office of the Attorney General of the Federation on its part plays a key role in coordinating prosecution efforts, particularly in cases involving high-profile individuals and complex financial crimes. The AGF also provides legal advice to law enforcement agencies and ensures compliance with constitutional provisions as provided in section 174 of the Constitution of the Federal Republic of Nigeria, 1999 as amended.

vii. The National Assembly.

The National Assembly has an important role to play in the anti-corruption crusade. Apart from enjoying unfettered power to make laws for fighting corruption and other vices; the National Assembly also has power of control of public expenditure, approval of important appointments by the executive, investigative power and power for removal of the President.[86]The legislative oversight function guaranteed by the Constitution for investigating and exposing corruption conferred upon the National Assembly and State Houses of Assembly is another role conferred on the legislature to expose corruption.[87]These powers should be used to guard against corruption and be deployed to supervise government business. Hence, the National Assembly clearly possesses the power to expose corruption and other financial crimes.[88]

viii. The Judiciary

[85] Code of Conduct Bureau, 'Cases of the Tribunal', 2026

[86] GO Akinrinmade and Others, 'An Assessment of the Role of National Assembly in the Fight against Corruption, in Nigeria', in AI Abdulqadir and Others (eds.) (n.58), p.453.

[87] CFRN, s 88 (1) (2) (b) and 128 (1) (2) (b)

[88] *Ibid*

The Judiciary comprises of all the courts in Nigeria from the Supreme Court to the lower courts, which include: The Magistrates, Area/Shari'a and Customary courts. Constitution vested all federal and state judicial powers on the said courts.[89] Judiciary is the guardian of the Constitution, and the only arm of government that pronounces the actions or inactions of legislature and the executive constitutional or unconstitutional, legal or illegal.[90] Hence, it is stronger than the two other arms of government and by implication it supervises the other arms and must of necessity are superior to the supervised.[91]

Independent and impartial judiciary is one of the basic requirements of true democracy, also, appointment of judges, their promotion, transfer, remuneration and assignment of cases should be done independently and impartially in a most depoliticised manner.[92] Judiciary has the exclusive duty to hear and determine cases filed against any person accused of corruption and other offences and pronounce offender guilty or otherwise.[93] In the past, the Nigerian judiciary has been playing its role in the fight against economic and financial crimes very actively. On several occasion, many corrupt officials including ex-governors and ministers have been tried and convicted. Different courts also issue practice directions to accelerate hearing corruption cases and appeals pending before courts.[94]

The Supreme Court of Nigeria has delivered certain judgments demonstrating a strong will to fight corruption and financial crimes by using judicial activism where necessary. For example, in the *A.G. Ondo State V. A.G. Federation*[95] the Supreme Court used judicial activism to save the ICPC Act 2000 and declared it constitutional. Had the Supreme Court relied on the existing judicial precedence the Act would have been declared unconstitutional, null and void.[96]

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[89] CFRN, s 6 (1) (2)

[90] FAR Adeleke and Others, 'The Role of Judiciary in Combating Corruption: Aiding and Inhibiting Factors in Nigeria,' in AI Abdulqadir and Others (eds.), (n.58), p.298

[91] *Ibid*

[92] *Ibid,* p.302

[93] *Ibid*

[94] Action Aid Nigeria, 'Judiciary and Corruption in Nigeria: A Report' 2026.

[95] (2002) NWLR (pt. 772) 222

4. Why the Failure in the Fight against Economic and Financial Crimes in Nigeria?

Despite the availability of robust legal and operational mechanism to fight economic and financial crimes in Nigeria, it is most unfortunate, that there has not been a commensurate positive result as expected. The question now is; why and is there any solution thereto?

The fight against economic and financial crimes in Nigeria has been hampered by a number of factors which has rendered the war against vice ineffective. Despite the fact that, on several occasion many fraudsters, cyber criminals and other online scammers have been arrested in Nigeria, due to the ineffectiveness of the Nigeria Law as well as limitations in her operational frameworks this has not stop the increase wave of economic and financial crimes in Nigeria. According to the one-time chief executive of Economic and Financial Crime Commission in Nigeria, Mallam Nuhu Ribadu;[97]

> Due to financial crimes in Nigeria, failed banks have increased in number, domestic and global advanced fee fraud, or '419' crimes have escalated. Nigerians are neck-deep in the involvement in financial crimes to the extent that since 2011, there was no country in the world that had not been invaded by Nigerians perpetrating '419' crimes.

The negative impact of financial crimes in Nigeria is profoundly contributing to her underdevelopment, poverty, and political instability. According to Transparency International's Corruption Perceptions Index 2024, Nigeria ranks 140thout of 180 countries of the world.[98] This rank is clearly a reflection of the pervasive nature of corruption and financial crimes in the country. Amongst the reasons why the fighting against economic and financial crimes is still a failure despite government efforts are unabated corruptive tendencies amongst the public office holders, overburdened weak judicial system, fraudulent practices by defense attorneys and ambiguities in some

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[96] ON Ogbu, 'Combating Corruption in Nigeria: A Critical Appraisal of the Laws, Institutions, and the Political Will,' (2008) *Annual Survey of International & Comparative Law* 167

[97] As quoted in L Omar, 'Nuhu Ribadu: Fighting Corruption in Nigeria' *Chazen webjournal of International Business*, available at <www.gsb.columbia.edu/chezen/webjournal> accessed on the 4th April, 2025

[98] Transparency International, 'Corruption Perceptions Index (2024)', available at <Transparency.org> accessed on the 7th March, 2025

sections of the law on economic and financial crimes in Nigeria. In the words of Umar *et al,*[99] the performance of the EFCC in the war against corruption and *economic and financial crimes*[100] has been undermined both by factors beyond the control of the EFCC as well as internal challenges within the Commission.

4.1 Why the Failure?

Government interference: Although the EFCC is said to be an independent body to fight corruption, interference by government has undermined its effectiveness. For example, the removal of the chairmen of the Commission at will signify tempering with the activities of the Commission. In addition, analysts also reported the possibility that the Commission has been used as a weapon of oppression by the ruling class. The EFCC is criticised for been selective and discriminatory so as to meet the need of certain parties. It was suggested by that the Commission investigates only those who went against the incumbent government. All these claims have affected the public perception of EFCC and gradually decreasing the public support and belief in the Agency.

Rivalry and competition among the Agencies: The existence of multiple anti-graft agencies has made the fight against economic and financial crimes a waste of time and resources. The unhealthy rivalry and competition among these agencies has been a major challenge to their success. The EFCC is not ready to cooperate with ICPC while ICPC believed that, the Police do not have anything to do with corrupt cases. On several occasion, no agency is/are ready to release vital information needed to prosecute an offender to a sister agency save within their own organisation.

Weak Evidence-Gathering and Enforcement Mechanisms: The job of fighting corruption requires competencies in legal, financial, investigative and forensic skills. Successful prosecution of offenders

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[99] I Umar and Others, 'Challenges of the Economic and Financial Crimes Commission and Their Influence on Adoption of Forensic Accounting: A Conceptual Framework,' (2016) https://www.researchgate.net/ publication/ 312173111_Challenges_of_the_Economic_and_Financial_Crimes_Commission_ and_Their_Influence_on_Adoption_of_Forensic_Accounting_A_Conceptual_Fra mework accessed 5th of January 2026

[100] Emphasis ours

efforts are often hampered by weak evidence-gathering strategy being adopted by some investigating officers in Nigeria. Similarly, inadequate forensic capabilities and poor documentation of financial transactions is a bane in the fight against economic and financial crimes in Nigeria. The resultant effect of this is that, during trial, the defence counsel always capitalise on some of the shortcoming in raising a successive defence for his client thereby making it difficult to secure convictions in some complex financial crime cases.

Ambiguities in the provision of the Act: One of the most persistent challenges in prosecuting cybercrime in Nigeria is the ambiguity or vagueness in the legal definitions contained in the Cybercrimes (Prohibition, Prevention, etc.) Act 2015. Legal definitions are foundational in criminal law because they determine the scope of conduct that constitutes an offense, guide investigators in framing charges, and inform judicial interpretation. However, in the Cybercrime Act, several critical terms are either broadly defined or insufficiently contextualised, which creates uncertainty for law enforcement, prosecutors, and the judiciary.

For example, the Act defines a 'computer system' as 'any device or group of interconnected or related devices, one or more of which, pursuant to a program, performs automatic processing of data'.[101] While this definition is technologically oriented, it raises questions about whether emerging technologies such as smart phones, tablets, cloud-based server and Internet of Things (IoT) devices are fully encompassed, potentially limiting prosecutorial reach.

Similarly, terms like 'electronic communication' and 'cyberstalking' are not elaborated upon in ways that reflect current technological realities, leaving them open to multiple interpretations.[102] The breadth of certain provisions also creates ambiguity. For instance, the Act criminalises 'unlawful access to a computer system,'[103] yet it does not clearly distinguish between malicious hacking intended to defraud or

[101] Cybercrimes (Prohibition, Prevention, etc.) Act 2015, s 1

[102] A Olumide and O Adewale, 'The Cybercrimes (Prohibition, Prevention etc.) Act 2015: Issues and Challenges in Enforcement in Nigeria,' (2017) *African Journal of Legal Studies* 48

[103] Cybercrimes (Prohibition, Prevention, etc.) Act 2015, s 6

damage and activities such as ethical penetration testing, security research, or administrative access violations. Without this clarity, prosecutors risk either overcharging or undercharging offenders, while defense counsel may successfully argue that the conduct falls outside the statutory scope. Moreover, courts have occasionally struggled to interpret these definitions consistently leading to divergent judicial outcomes.[104]

This inconsistency in opinion of the authors undermines the predictability of the law and may erode public confidence in the criminal justice system. Scholars have emphasised that precision in statutory language is essential to ensure that offenses are enforceable, proportional, and technologically adaptable.[105] In the absence of clearer definitions, the ambiguity in legal terminology continues to impede effective prosecution and creates a loophole for cybercriminals to exploit emerging technologies beyond the reach of current law.

Jurisdictional Issues: Jurisdictional challenges constitute a major obstacle in the effective prosecution of cybercrime in Nigeria. By their very nature, cyber offences are transnational, often involving perpetrators, victims, servers, or financial intermediaries located in multiple countries. This creates complex questions about which legal system has the authority to investigate, charge, and try the offender. Unlike traditional crimes, which are largely confined to a single geographic area, cybercrime transcends borders, exploiting the global and decentralized nature of the internet.

The Cybercrimes (Prohibition, Prevention, etc.) Act 2015 attempts to address extraterritorial jurisdiction under Section 4, stipulating that Nigerian courts may exercise jurisdiction over offenses committed outside Nigeria if the act affects a Nigerian citizen or entity[106] While this provision theoretically expands prosecutorial reach, practical

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[104] ST Olumide and IH Umar, ' Analysis Of The Legal And Institutional Frameworks For Combating Cybercrimes In Nigeria,' (2025) (6) (1) *Law And Social Justice Review*, < https://nigerianjournalsonline.org/index.php/ LASJURE/ article/view/2599> accessed 5th January 2026

[105] C Ezeani, 'Digital Evidence and its Admissibility in Nigerian Courts' (2019) (5) *Nigerian Journal of Criminal Law* 26

[106] Cybercrimes (Prohibition, Prevention, etc.) Act 2015, s. 4

enforcement remains challenging due to limited international cooperation, absence of mutual legal assistance treaties with many jurisdictions, and differing national laws governing cybercrime. For example, a hacker operating from a country without an extradition treaty with Nigeria may evade prosecution, even when the impact of their actions is felt domestically.

Moreover, jurisdictional uncertainty complicates evidence collection, as investigators must navigate foreign legal systems to obtain digital evidence stored abroad. Requests for mutual legal assistance are often time-consuming, bureaucratic, and susceptible to denial, which can result in the loss or corruption of vital evidence. Prosecutors may also encounter conflicts of law, where conduct deemed criminal in Nigeria is lawful in another country, creating difficulties in securing convictions or even pursuing charges. The transnational nature of cybercrime also raises enforcement dilemmas.

Nigerian Law enforcement agencies may have authority to investigate offenses within the national territory, but they are often powerless against servers, websites, or financial intermediaries located overseas, necessitating cooperation from foreign agencies or private entities.[107] The lack of streamlined international frameworks, combined with divergent standards of digital evidence and procedural rules, hampers the timely prosecution of cybercrime offenders. While Nigerian legislation recognises extraterritorial jurisdiction in principle, practical limitations in international cooperation, legal harmonisation, and enforcement capacity continue to constrain the prosecution of cybercrime. Effective transnational cybercrime prosecution requires robust bilateral and multilateral agreements, mutual legal assistance mechanisms, and harmonised cyber laws to bridge jurisdictional gaps and ensure accountability for offenders operating across borders.[108]

Consequential factors: The EFCC operates in an environment that makes the achievement of its mandate very difficult. One of the difficulties lies with the Nigerian legal system itself. Some of the

[107] Okonkwo, P 'Cyber Forensics in Nigeria: Gaps and Prospects,' (2020) (8) *Journal of Cybersecurity Law* 65

[108] Adeyemi, F 'Emerging Cyber Threats and the Nigerian Legal System,' (2021) (4) *African Journal of Cyber Studies* 23

provision in the laws regulating economic and financial crimes in Nigeria needs amendment to meet with the phase at which economic and financial crimes in moving. The sophisticated nature of the financial crimes due to technology demand adequate amendment of the law to keep up with fight. Presently, most of the laws regulating economic and financial crimes in Nigeria to wit: the Economic and Financial Crime Commission Act, Money Laundering Act, and Cybercrimes Act lack the ability to curb the emerging threats from crypto currency-related and cross-border financial crimes due to the absence of specific provision to deal with these emerging areas of financial crimes.

5. Conclusion

From all the aforesaid, it could gleaned that, even though, economic and financial crimes has become a universal upheaval and a global problem, however, from the analysis done in this paper it is the prevalent shortcomings and limitations in various legal and operational mechanisms in the directed toward the fight against economic and financial crimes in Nigeria that accounted for the failure of the effort in Nigeria. However, to achieve success and effectiveness in the fight against economic and financial crimes in Nigeria the following panaceas are recommended.

First, since Independent and impartial judiciary is one of the basic requirements for justice and true democracy, there is the need for reform in the Nigeria criminal justice system to strengthen judicial independence. Specialised be established for corruption cases and with specific time frame of maximum of six mouths. Second, Nigeria government should make public expenditures more transparent with clearer rules on procurement and budgeting. Any deviation from a transpiration procedure should receive maximum sanctions.

Third, there is the need for constitutional amendment to abolish the clause on immunity from prosecution of executives either while in office and or after tenure of office. Doing this will always keep the executive on their toes and be mindful of whatever they will be doing.
Fourth, Anti-corruption agencies in Nigeria should be strengthened and linked with other international anti-corruption bodies like Transparency International (TI) to build capacities and monitor international collaborators towards corruption free society.

Fifth, the Code of Conduct Bureau should always ensure the verification of assets and wealth owned by political office holders before and after their tenures. Any astronomical and an unexplained wealth acquisition should be prosecuted after a thorough investigation. Lastly, there is the need for the amendment of the Nigerian Economic and Financial Crime Commission Act, Money Laundering Act, and Cybercrimes Act to strengthen their ability to curb the emerging threats from crypto currency-related and cross-border financial crimes since these emerging areas of financial crimes are presently not adequately addressed in the provisions of these laws.