

NOT EASY TO GET ABACHA'S LOOT
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Nigeria's long running legal battle to recover more than \$2 billion in public funds believed to have been looted by the former military ruler, General Sani Abacha, his family and friends suffered a temporary setback recently, when a British court ruled that the Abacha family could challenge Britain's decision to help trace the money. The court granted the family indemnity against criminal proceedings because the family had already returned \$800m to the Nigerian government.

Britain's former home secretary, Jack Straw, had agreed in May to cooperate with investigators to trace the money said to have been looted between 1993 and 1998. A three-month probe by the British financial watchdog, the Financial Services Authority, into 23 banks that had accounts linked to the Abacha family revealed that 15 of the banks had weak money laundering controls.

The Nigerian government had sought mutual legal assistance to recover the money. The recent decision by the court is likely to frustrate the Nigerian government, which set up an inquiry to investigate the looting following Gen Abacha's sudden death in 1998. Nigeria wants the accounts frozen so that the remaining funds in them cannot be transferred elsewhere by the Abacha family.

Gen Abacha is also believed to have stashed part of his loot in other accounts in Singapore, Hong Kong, Dubai, Switzerland and Luxembourg. Twelve Swiss banks have since been reprimanded by the Swiss Banking Commission for handling Abacha's money.