A MID-YEAR REVIEW

WHITE COLLAR CRIMES & INVESTIGATIONS

INTRODUCTION

The first half of 2026 has been a defining period for Nigeria's white-collar crime and investigations landscape. Against a backdrop of sustained efforts to strengthen transparency, accountability, and financial integrity, the country witnessed significant legislative, regulatory, judicial, and enforcement developments that have continued to reshape the framework for investigating, prosecuting, and preventing economic and financial crimes.

During the period under review, law enforcement agencies intensified investigations and prosecutions involving allegations of corruption, money laundering, fraud, cyber-enabled financial crime, tax offences, sanctions violations, and other economic crimes. At the same time, policymakers and regulators introduced reforms aimed at strengthening Nigeria's anti-money laundering and counter-terrorism financing ("AML/CFT") regime, enhancing inter-agency cooperation, improving asset recovery mechanisms, and aligning domestic laws with evolving international standards. For instance, the Central Bank of Nigeria introduced the Baseline Standards for Automated AML/CFT/CPF Solutions.[1] The period also saw important judicial activities surrounding the non-conviction-based forfeiture regime.[2]

This Mid-Year Review examines the key legislative, regulatory, enforcement, and judicial developments that shaped Nigeria's white-collar crime landscape during the first half of 2026. It highlights emerging enforcement trends, analyses significant legal developments, and considers their practical implications for organisations and individuals operating within Nigeria's increasingly robust financial crime compliance framework.

1 https://www.cbn.gov.ng/AboutCBN/Reforms.html

2 For instance, the Federal High Court on 15th July ordered the final forfeiture of 48 properties linked to former Attorney-General Abubakar Malami.

2. LEGISLATIVE AND REGULATORY DEVELOPMENTS

2.1 Legal Practitioners Act (Repeal and Re-enactment) Bill, 2026

One of the notable legislative developments during the review period was the passage by the Senate of the Legal Practitioners Act (Repeal and Re-enactment) Bill, 2026, on 9th July 2026. Upon receiving Presidential assent, the Bill will repeal the Legal Practitioners Act, Cap. L11, Laws of the Federation of Nigeria 2004, and establish a modernised legal and institutional framework for the regulation of the legal profession in Nigeria.

Although the Bill is principally aimed at reforming the governance, regulation, and discipline of legal practitioners, it is also significant from a white-collar crime, anti-money laundering, and corporate compliance perspective. The legal profession continues to attract increasing regulatory scrutiny as lawyers are recognised as designated non-financial businesses and professions ("DNFBPs") under Nigeria's anti-money laundering and counter-terrorism financing ("AML/CFT") framework.

The Bill also reflects Nigeria's continuing efforts to strengthen professional accountability and align its legal and regulatory framework with evolving international standards, particularly the recommendations of the Financial Action Task Force ("FATF") concerning gatekeeper professions.

2.2 CBN Baseline Standards for Automated AML/CFT/CPF Solutions

The Central Bank of Nigeria's March 2026 circular (Guidance Note issued 31st March 2026, following the underlying Baseline Standards circular) requires all deposit money banks, fintechs, mobile money operators and international money transfer operators to deploy automated, AI-capable AML/CFT/CPF transaction monitoring systems, replacing static, threshold-only rules.[3] Under the circular, deposit money banks have an 18-month compliance deadline; other financial institutions have a 24-month compliance deadline. The relevant institutions were

3 https://www.mondaq.com/nigeria/financial-services/1773436/key-regulatory-update-cbn-guidelines-on-instant-payment-functionalities-and-mobile-banking-security

required to submit implementation roadmaps to the CBN's Compliance Department, with a further roadmap deadline of 10th June 2026 referenced in Circular BSD/DIR/PUB/LAB/019/002. Suspicious transactions, large cash transactions and international transfers must now be reported to the NFIU within 24 hours of detection, and records must be retained for a minimum of five years.

This materially raises the compliance bar (and litigation/enforcement risk) for financial institutions.

2.3 Whistleblower Protection: Renewed Legislative Momentum

Nigeria still has no stand-alone whistleblower protection statute, nearly a decade after the 2016 Whistleblowing Policy was introduced by the Federal Ministry of Finance.[4] Although Nigeria is yet to enact a comprehensive whistleblower protection statute, legislative momentum increased during the period under review. In early July 2026, the Senate passed the second reading of the Public Complaints Commission Act (Repeal and Re-enactment) Bill, 2026, sponsored by Senator Neda Imasuen. The Bill seeks to repeal and re-enact the Public Complaints Commission Act and, for the first time, expressly incorporate a statutory framework for public interest disclosures and the protection of whistleblowers within the mandate of a reconstituted Public Complaints Commission.

2.4 Aftermath of FATF Grey List Exit

Nigeria's removal from the Financial Action Task Force ("FATF") grey list in October 2025, following the successful completion of its agreed Action Plan, has continued to shape the country's anti-money laundering and counter-terrorism financing ("AML/CFT") landscape during the first half of 2026. Rather than signalling a relaxation of regulatory oversight, the development has ushered in a new phase of enhanced supervisory scrutiny focused on ensuring the sustainability of the reforms that facilitated Nigeria's delisting. This marks a clear transition from a "tick-box" approach to AML/CFT compliance towards an effectiveness-based regime in which institutions are expected to evidence that their compliance programmes are capable of identifying, mitigating, and reporting financial crime risks in practice.

4 https://whistleblowingnetwork.org/Our-Work/Spotlight/Stories/AFRICMIL-s-Fight-for-Whistleblowers-and-the-Law-Ni

3. ENFORCEMENT AND PROSECUTORIAL TRENDS

The first half of 2026 was marked by sustained enforcement activity and significant prosecutorial developments across Nigeria's white-collar crime landscape. Enforcement agencies intensified investigations, prosecutions, and asset recovery efforts, with notable progress in the use of non-conviction-based forfeiture mechanisms under the Advance Fee Fraud and Other Fraud Related Offences Act and the Proceeds of Crime (Recovery and Management) Act, 2022.

The review period also witnessed significant developments in several high-profile matters, most notably those involving former Petroleum Minister, Diezani Alison-Madueke, whose acquittal on bribery charges in the United Kingdom has

generated renewed attention on ongoing domestic asset recovery and prosecution efforts. The key enforcement and prosecutorial developments are discussed below.

a) Oceangate Engineering Oil & Gas Ltd: On 25 March 2026, the Federal High Court, Abuja Division, per Hon. Justice Emeka Nwite, ordered the final forfeiture of **US$13 million** linked to Oceangate Engineering Oil & Gas Limited and its Managing Director, Aisha Achimugu, to the Federal Government of Nigeria. In dismissing Oceangate's challenge to the forfeiture proceedings, the Court described the company's argument that the Economic and Financial Crimes Commission (EFCC) was a "meddlesome interloper" as baseless, and held that its objections to the EFCC's application were without merit. By way of a background, the EFCC had obtained an interim forfeiture order on 22nd August 2022, in respect of over $13 million, traced to Oceangate. At the final forfeiture hearing, Oceangate's defence was that the funds were signature- bonus payments for Deep Offshore PPL 302 and Shallow Water PPL 3007 licences, received as "gifts" between March and April 2025. The Court rejected this argument on several grounds: Aisha Achimugu, the Managing Director of Oceangate did not appear to explain the source of the funds; none of the alleged "gift" donors were called as witnesses; the money had actually come from five separate companies (Ashrab Energy and Oil Services, Tripple A and Tee Oil, Code Crafter Tech, Overcliffe Energy Solutions, and Prism 24 Oil and Gas) with no shown contractual or legitimate relationship to Oceangate; and Achimugu admitted in her own extra-judicial statement to the EFCC that Oceangate had never actually executed any oil and gas contract, public or private.

b) Diezani Alison-Madueke (former Minister of Petroleum Resources): On 17th June 2026, Nigeria's former Minister of Petroleum Resources, Diezani Alison- Madueke, was acquitted of all six bribery charges in a corruption trial in the United Kingdom.[5] The decision has generated significant interest in Nigeria, particularly given the ongoing asset recovery and forfeiture proceedings against assets allegedly linked to her, and its potential implications for future cross-border corruption and asset recovery cases. However, the acquittal in England does not preclude her prosecution in Nigeria in respect of other alleged offences, including pending criminal charges in Nigeria, nor does it automatically determine the outcome of the related civil asset recovery proceedings.

c) Aisha Achimugu: On 16th July 2026, Hon. Justice Jude Onwugbuzie of the Federal High Court ordered the final forfeiture to the Federal Government of properties linked to businesswoman and Oceangate Engineering Oil & Gas Ltd. founder, Aisha Achimugu. The forfeited assets comprised jewellery valued at approximately ₦4.65 billion, eleven luxury vehicles worth approximately ₦4.29 billion, as well as US$50,000 and ₦30 million in cash. The decision further underscores the increasing use of non-conviction-based forfeiture proceedings as a key asset recovery tool under Nigeria's anti-corruption framework.

d) The Malami Forfeiture Ruling: A Landmark for NCBF Practice

On 15th July 2026, Justice Joyce Abdulmalik of the Federal High Court, Abuja, granted final forfeiture of 48 (of an original 57) properties linked to Abubakar Malami, SAN, valued at approximately N212.8 billion, including Rayhaan University and its associated campuses in Kebbi State.[6] The ruling follows an interim forfeiture order granted by Justice Emeka Nwite on 6th January 2026 under the Advance Fee Fraud and Other Fraud-Related Offences Act, 2006.[7]

The judgment is significant for several reasons. First, the Court reaffirmed that the central question in non-conviction-based forfeiture proceedings is not "who owns the property" but "how legitimate are the funds used to acquire" it, meaning that ownership documentation alone will not discharge a respondent's evidential burden. Second, the Court confirmed that the EFCC's threshold is "reasonable suspicion," not proof beyond reasonable doubt, and that this lower threshold is compatible with the civil, non-punitive character of NCBF. Third, the Court expressly distinguished the civil forfeiture from any finding of criminal guilt, not with standing that Malami and members of his family face separate, parallel criminal money laundering charges.

The judgment further reinforces the growing body of Nigerian jurisprudence affirming the constitutionality and effectiveness of non-conviction-based forfeiture as an asset recovery mechanism. It also underscores the courts' willingness to support the recovery of suspected proceeds of crime independently of the outcome of any related criminal proceedings, thereby strengthening Nigeria's broader anti-corruption and proceeds of crime recovery framework.

5 https://www.cnbcafrica.com/2026/nigerias-ex-oil-minister-alison-madueke-cleared-of-all-charges-in-uk-corruption-trial
6 https://www.premiumtimesng.com/news/headlines/895488-Court-orders-final-forfeiture-of-48-properties-linked-to-malami.html
7 https://punchng.com/Court-orders-n30-7m-forfeiture-in-nnpc-fraud-case/

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e) Godwin Emefiele: Supreme Court NCBF Ruling

On 17th July 2026, the Supreme Court, in a unanimous judgment delivered by a five-member panel led by Hon. Justice Ibrahim Mohammed Saulawa, affirmed the final forfeiture of seven landed properties, the sum of $2,045,000 (Two Million, Forty-Five Thousand United States Dollars), and share certificates in Queensdorf Global Fund Limited linked to Godwin Emefiele, the former Governor of the Central Bank of Nigeria, to the Federal Government of Nigeria.[8] The apex Court set aside a Court of Appeal decision which had nullified the forfeiture order and directed a retrial, thereby restoring the final forfeiture order originally granted on 1st November 2024 by Hon. Justice D.I Dipeolu of the Federal High Court, Lagos, in the EFCC's suit against the former Governor of the CBN

4. AML/CFT AND FINANCIAL SECTOR ENFORCEMENT

4.1 CBN Enforcement Actions

a) The CBN has also deployed a Cybersecurity Self-Assessment Tool ("CSAT") (circular dated 30th March 2026) to gather structured data on regulated institutions' cybersecurity governance and third-party risk controls, feeding into risk-based AML/CFT supervision.[9]

b) Access Bank was fined N35 million in May 2026 for AML/CFT/CPF compliance lapses identified during a one-year risk-based CBN examination.[10] This follows a N15.42 billion fine imposed on Zenith Bank (2025) covering money laundering failures, cybersecurity breaches and foreign exchange violations, a scale of penalty that continues to inform CBN's 2026 enforcement posture.[11]

4.2 Automated AML/CFT/CPF Baseline Standards: Compliance Deadlines

As summarised above, the CBN's baseline standards mandate a shift to AI-capable, event-driven transaction monitoring. Therefore, the compliance roadmap deadlines and the 18/24-month implementation windows are the most immediate action items; institutions that treat the automation mandate as a checkbox exercise (rather than a substantive uplift in detection capability) risk sanction for technical non-compliance even absent an underlying AML violation, per the CBN's own guidance.

5. CYBERCRIME, DIGITAL FRAUD AND EMERGING TYPOLOGIES

The Cybercrimes (Prohibition, Prevention, etc.) (Amendment) Act, 2024 remains the operative framework, with no further substantive amendment recorded in the period under review. However, its practical intersection with white-collar

8 https://guardian.ng/news/supreme-court-upholds-final-forfeiture-of-emefieles-properties-2-045m-assets-to-fg/
9 https://proshare.co/articles/cbn-introduces-cybersecurity-self-assessment-tool-for-banks-and-financial-institutions
10 https://timenigeria.com/cbn-slams-access-bank-with-n35m-fine-over-aml-cft-infractions/
11 https://thewhistler.ng/cbn-fines-zenith-bank-n15-42bn-for-money-laundering-forex-other-infractions/

enforcement has deepened: EFCC continues to prosecute online fraud ("Yahoo-Yahoo"), romance scams and business email compromise schemes as a matter of routine, and CBN's automated AML/CFT mandate is explicitly framed as a response to increasingly sophisticated digital typologies (real-time payment fraud, mule account networks, and cross-border laundering through digital wallets).

6. CONCLUSION

The developments in the first half of 2026 reflect an evolving white-collar crime landscape, characterised by continued legislative reform and increasingly sophisticated enforcement strategies. Together, these developments illustrate a broader systemic adaptation of Nigeria's legal and regulatory framework to emerging financial crime risks and international standards.

As this trajectory continues, businesses, financial institutions, and other regulated entities should remain attentive to developments and ensure that their governance and compliance frameworks evolve in step with the changing enforcement and regulatory environment.

Babalakin & Co. is a Firm with broad experience on the subject of White-Collar Crimes & Investigations Practice Area and all matters related to it. If you have any questions or would like information on the issues discussed, please contact:

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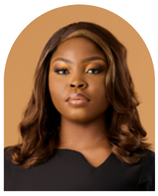

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