

15<sup>th</sup> May 2019

His Excellency  
Muhammadu Buhari, GCFR,  
President, Commander-in-Chief of the Armed Forces,  
Federal Republic of Nigeria,  
State House,  
Abuja.

**RE: NFIU ENFORCEMENT AND GUIDELINES TO REDUCE CRIME VULNERABILITIES  
CREATED BY CASH WITHDRAWAL FROM LOCAL GOVERNMENT FUNDS THROUGHOUT  
NIGERIA, EFFECTIVE 1<sup>ST</sup> JUNE 2019**

1. The attention of the Nigeria Governors' Forum (NGF) has been called to certain Guidelines on the above subject recently released by the Nigerian Financial Intelligence Unit (NFIU) and purportedly set to become operational effective 1<sup>st</sup> June 2019. The NGF wishes to express its dismay and angst at the attempt to ridicule our collective integrity and show total disregard to the Constitution of the Federal Republic of Nigeria (1999) as amended.
2. We kindly invite Mr. President to note **S. 7 (6) (a) and (b)** of the Constitution which confers on the National Assembly (NASS) and the State House of Assembly, the powers to make provisions for statutory allocation of public revenue to the local councils in the Federation and within the State respectively.
3. Similarly, **S. 162 (6)** of the Constitution expressly provides for the creation of the State Joint Local Government Account (SJLGA) *into which shall be paid all allocations to the Local Government Councils of the State from the Federation Account and from the Government of the State.*
4. **S. 162 (7)** of the Constitution goes on to confer on the NASS the power to prescribe the terms and manners in which funds from the SJLGA may be disbursed and in Subsection **(8)**, the Constitution empowers the State House of Assembly to prescribe the manner in which the amount standing to the credit of the Local councils in the State shall be distributed. We respectfully attach relevant sections of the Constitution.



5. Nothing in the Nigerian Financial Intelligence Unit (NFIU) Act 2018 (herewith attached) gives the NFIU the powers that it seeks to exercise in the recently released Guidelines and in doing this, the Unit has acted in excess of its powers and in complete disregard to the constitution of the country. The so-called Guidelines are in our view an exercise in mischief-stoking and one calculated to cause chaos and overheat the polity. The Guidelines have nine (9) provisions including two (2) sections covering sanctions/penalties, powers that they clearly do not possess. The NFIU in proposing far-reaching guidelines of this nature ought to have consulted widely and carried all stakeholders along. The Director of the NFIU should be called to order because reckless proposals like the said NFIU Guidelines have the potential to cause disaffection in the country. For ease of reference, we are attaching the NFIU Guidelines.
6. We invite Mr. President to note that the Local Government is a creation of the Constitution and is neither a financial institution nor a Reporting entity and cannot be brought under the NFIU in the manner contemplated by the Guidelines.
7. Finally, Mr. President may recall the role played by the Governors in getting the country out of recession and our contributions in strengthening the democratic experience in Nigeria. The Nigeria Governors' Forum identifies with Mr. President's efforts to combat corruption, money laundering and terrorism amongst other social ills and will use our best endeavours in ensuring that our financial system is preserved through our concerted and individual efforts at fighting these ills. However, due process and constitutionalism are major planks in our journey to sustainable democracy and we appeal to Mr. President to direct that the said Guidelines be disregarded in view of its unconstitutionality and total disregard for due process.

Accept, Dear Mr. President, the assurances of our highest regard.

  
**Hon. Abdulaziz Yari Abubakar**  
**Governor, Zamfara State &**  
**Chairman, Nigeria Governors' Forum**

**CC:**

1. **Attorney General of the Federation**
2. **Acting Chairman, EFCC**
3. **Governor, CBN**
4. **Director General, DSS**
5. **36 State Governors**