

CISLAC/TI-Nigeria Urges Due Diligence in State Contracts Following Seizure of Nigerian Presidential Jets

The Civil Society Legislative Advocacy Centre (CISLAC) and Transparency International Nigeria (TI-Nigeria) have called on state governors to prioritize due diligence and legal consultations in contract negotiations. This appeal comes in the wake of the recent seizure of three Nigerian presidential jets by a French court, following a contract dispute between the Ogun State Government and the Chinese firm Zhongshan Fucheng Industrial Investment Co. Ltd.

In a statement signed by its Executive Director, Auwal Musa Rafsanjani, CISLAC/TI-Nigeria expressed grave concern over the escalating legal battle, which stems from a 2007 agreement to develop the Ogun Free Trade Zone. Rafsanjani emphasized that the fallout from this poorly managed contract has resulted in significant financial losses and tarnished Nigeria's international reputation.

"State governors and government officials must fully understand the legal and ethical complexities of international agreements before entering into them," Rafsanjani stated. "Nigeria is already grappling with numerous socio-economic challenges, and the last thing we need is to be entangled in costly legal disputes that could have been avoided with proper due diligence."

Rafsanjani criticized the federal government for allowing state governors to access loans without adequately addressing potential risks. He pointed out that personal interests often lead public officials into problematic agreements, drawing parallels to the notorious P&ID case. "CISLAC/TI-Nigeria's call serves as a reminder of the need for vigilance and ethical governance in handling international contracts to prevent severe repercussions from mismanagement," he added.

"CISLAC and Transparency International have diligently monitored and advocated for global transparency and accountability, particularly since the initial arbitration order in the P&ID case in 2017, which mandated Nigeria to pay \$6.6 billion in fines due to contractual breaches. This amount ballooned to \$11 billion due to accrued interest," Rafsanjani noted.

He continued, "During the legal battle in London to overturn this order, CISLAC and Transparency International collaborated with local and international organizations to demand a comprehensive investigation into all individuals implicated in sabotaging Nigeria's interests. The prior administration's failure to act on these calls was disheartening."

Thanks to the global advocacy efforts of CISLAC and Transparency International, Nigeria secured temporary relief through a UK court's decision. CISLAC reiterates calls on President Bola Tinubu and anti-corruption agencies to prosecute all Nigerians and their accomplices, including former senior officials, who were involved in colluding with P&ID for personal gain.

CISLAC/TI-Nigeria's statement reflects broader concerns about Nigeria's management of international agreements and the severe consequences of neglecting due diligence. "As the country navigates this complex legal situation, it is crucial to remember the need for vigilance and ethical governance in contract negotiations," Rafsanjani concluded.

Yours Sincerely,

Auwal Ibrahim Musa (Rafsanjani)
Executive Director of CISLAC/TI-Nigeria

