

Monitoring the restituted funds

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Restitution, which does not close the case, opens the question of how the funds are used. The funds from the first Abacha restitution, paid to Nigeria in the mid-2000s, were monitored by the World Bank and civil-society organisations, which found shortcomings in the implementation of the projects financed. This experience led Switzerland to require restitution agreements providing for the allocation of the funds to programmes in the public interest and for their monitoring by a third party.¹ The 2017 agreement with Nigeria and the World Bank, covering USD 321 million, allocated the funds to a programme of social transfers to poor households, with monitoring by the World Bank and Nigerian civil society.²

This model of conditional and monitored restitution has become Swiss practice, enshrined in the 2015 Act. It is criticised by some states of origin, which see in it an infringement of their sovereignty, and by some organisations, which doubt the effectiveness of the monitoring. For the Geneva financial centre it has a direct interest: a restitution that finances schools or documented social transfers partly repairs the harm the financial centre suffered by sheltering the funds. It also supplies an argument against the reproach of complacency. Geneva is moreover home to several of the institutions and organisations that design and monitor these programmes, which makes the city a place of restitution as much as it was a place of concealment.

1 Notes

1. World Bank, “World Bank Monitoring of Repatriated Abacha Funds”, brief of 4 December 2017: monitoring exercise of 2005–2006 covering some USD 723 million returned, conducted by 20 field observers drawn from six federal ministries and from Nigerian civil-society organisations (report Utilization of Repatriated Abacha Loot: Results of the Field Monitoring Exercise, 2006): “At no point did our report

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suggest that a substantial part of the funds looted were missing or had been misused”; memorandum of understanding of December 2017 between Nigeria, the Federal Council and the World Bank for the restitution of USD 321 million allocated to targeted cash transfers (National Social Safety Net Project), with half-yearly reports from the NGOs of the Network on Asset Recovery. ↩

2. “Affaire Abacha : la Suisse rend 321 millions de dollars au Nigeria” (Abacha affair: Switzerland returns USD 321 million to Nigeria), Le Temps, 5 December 2017, cited in the bibliography. ↩

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