

Bonny Island Liquefied Natural Gas Bribe Scheme (TSKJ Consortium) / Kellogg Brown Root & Halliburton Co.

Case ID:

ST-76

Case Cluster :

Bonny Island Liquefied Natural Gas Bribe Scheme

Jurisdiction of Settlement:

Nigeria

Jurisdiction of Settlement / Enforcement Agency:

Economic and Financial Crimes Commission

Jurisdiction of Foreign Public Official(s) :

Nigeria

Year of Settlement:

2010

Month/Day of Settlement (or Notes):

10/21

Other Jurisdictions of Settlement:

United States

Settlement with Individual or Legal Person?:

Legal Person

Type of Settlement:

Criminal

Legal Form of Settlement:

Non-Prosecution agreement

Monetary Sanctions (Types):

Criminal Fine, Disgorgement, Procedural costs

Total Monetary Sanctions (US\$):

\$35,000,000.00

Criminal Fine/Penalty (US\$) :

\$32,500,000

Monetary Sanctions Returned / Ordered Returned (US\$):

\$35,000,000

Monetary Sanctions Returned / Ordered Returned (Explanation):

Enforcement by "Affected" Jurisdiction

UNCAC Articles(s) Implicated:

Art.16

Art.23

Art.26

OECD Anti-Bribery Convention Articles Implicated:

Art. 1, Art. 2, Art. 7

Offenses - Alleged:

Unknown (Bribery offenses related to the Bonny Island Natural Gas Bribe Scheme)

Offenses - Settled:

Unknown

Public Procurement Contract / SOE Involved?:

Yes

Summary:

According to the Halliburton Company Press Release: "Pursuant to this agreement [with Federal Government of Nigeria (FGN)], all lawsuits and charges against KBR and Halliburton corporate entities and associated persons have been withdrawn, The FGN agreed not to bring any further criminal charges or civil claims against those entities or persons, and Halliburton agreed to pay US\$32.5 million to the FGN and to pay an additional US\$2.5 million for FGN's attorneys' fees and other expenses. Among other provisions, Halliburton agreed to provide reasonable assistance in the FGN's effort to recover amounts frozen in a Swiss bank account of a former TSKJ agent and affirmed a continuing commitment with regard to corporate governance. Any charges related to this settlement will be reflected in discontinued operations." (Source: Halliburton Company Press Release, "Halliburton Confirms Agreement to Settle with Federal Government of Nigeria," December 21, 2010.) Please note that the settlement agreement with the Nigerian government is confidential and not publicly available. However, on December 22, 2010, the Nigerian Attorney General and Minister of Justice stated at a media briefing that the total sum of \$170.8 million had been paid by foreign companies, including Halliburton, to settle bribery charges and/or allegations and that the sums represented fines and disgorgement of profits. (Source: 2010 Ministerial Media Briefing on the Activities of the Federal Ministry of Justice, by Mr. Mohammed Bello Adoke, SAN, Attorney General and Minister of Justice, Annual Press Briefing, 22 December 2010.)

Sources :

2010 Ministerial Media Briefing on the Activities of the Federal Ministry of Justice, by Mr. Mohammed Bello Adoke, SAN, Attorney General and Minister of Justice, Annual Press Briefing, 22 December 2010, provided to the study by the Nigerian Economic and Financial Crimes Commission. Halliburton Company Press Release, "Halliburton Confirms Agreement to Settle with Federal Government of Nigeria," December 21, 2010, accessed at www.halliburton.com/public/news/pubsdata/press_release/2010/corpnws_12212010.html.