

## **Bonny Island Liquefied Natural Gas Bribe Scheme / Marubeni Corporation**

**Case ID:**

ST-84

**Case Cluster :**

Bonny Island Liquefied Natural Gas Bribe Scheme

**Jurisdiction of Settlement:**

United States

**Jurisdiction of Settlement / Enforcement Agency:**

Department of Justice

**Jurisdiction of Foreign Public Official(s) :**

Nigeria

**Year of Settlement:**

2012

**Month/Day of Settlement (or Notes):**

01/17

**Other Jurisdictions of Settlement:**

Unknown

**Settlement with Individual or Legal Person?:**

Legal Person

**Type of Settlement:**

Criminal

**Legal Form of Settlement:**

Deferred Prosecution Agreement

**Monetary Sanctions (Types):**

Criminal Fine

**Total Monetary Sanctions (US\$):**

\$54,600,000.00

**Criminal Fine/Penalty (US\$) :**

\$54,600,000

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

\$0

**UNCAC Articles(s) Implicated:**

Art.16

Art.26

**OECD Anti-Bribery Convention Articles Implicated:**

Art. 1, Art. 2

**Offenses - Alleged:**

Conspiracy to Bribe Foreign Officials, Aiding and Abetting the Bribery of Foreign Officials

**Offenses - Settled:**

Conspiracy to Bribe Foreign Officials, Aiding and Abetting the Bribery of Foreign Officials

**Public Procurement Contract / SOE Involved?:**

Yes

**Summary:**

According to the US Department of Justice Press Release, "The department filed a deferred

prosecution agreement and a criminal information today against Marubeni in U.S. District Court for the Southern District of Texas. The two-count information charges Marubeni with one count of conspiracy and one count of aiding and abetting violations of the FCPA. Marubeni is a Japanese trading company headquartered in Tokyo. According to court documents, Marubeni was hired as an agent by the four-company TSKJ joint venture to help TSKJ obtain and retain EPC contracts to build liquefied natural gas (LNG) facilities on Bonny Island, Nigeria, by offering to pay and paying bribes to Nigerian government officials, among other means. TSKJ was comprised of Technip S.A., Snamprogetti Netherlands B.V., Kellogg Brown & Root Inc. (KBR) and JGC Corporation. Between 1995 and 2004, TSKJ was awarded four EPC contracts, valued at more than \$6 billion, by Nigeria LNG Ltd. to build the LNG facilities on Bonny Island. The government-owned Nigerian National Petroleum Corporation was the largest shareholder of NLNG, owning 49 percent of the company. According to court documents, to assist in obtaining and retaining the EPC contracts, the joint venture hired two agents -- Marubeni and Jeffrey Tesler, a U.K. solicitor -- to pay bribes to a wide range of Nigerian government officials. The joint venture hired Tesler as a consultant to pay bribes to high-level Nigerian government officials, including top-level executive branch officials, and hired Marubeni to pay bribes to lower-level Nigerian government officials. At crucial junctures preceding the award of EPC contracts, a number of co-conspirators, including on two occasions an employee of Marubeni, met with successive holders of a top-level office in the executive branch of the Nigerian government to ask the office holders to designate a representative with whom TSKJ should negotiate bribes to Nigerian government officials. TSKJ paid approximately \$132 million to a Gibraltar corporation controlled by Tesler and \$51 million to Marubeni during the course of the bribery scheme and intended for these payments to be used, in part, for bribes to Nigerian government officials. [ ] Significant assistance was provided by authorities in France, Italy, Switzerland and the United Kingdom." (Source: US Department of Justice Press Release, "Marubeni Corporation Resolves Foreign Corrupt Practices Act Investigation and Agrees to Pay a \$54.6 Million Criminal Penalty," January 17, 2012.)

**Sources :**

US v. Marubeni Corporation, Case No. 4:12-cr-00022 (S.D. Tex.), Information filed January 17, 2012, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/marubeni/2012-01-17-marubeni-information.pdf> and Deferred Prosecution Agreement filed January 17, 2012, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/marubeni/2012-01-17-marubeni-dpa.pdf>. US Department of Justice Press Release, "Marubeni Corporation Resolves Foreign Corrupt Practices Act Investigation and Agrees to Pay a \$54.6 Million Criminal Penalty," January 17, 2012, accessed at <http://www.justice.gov/opa/pr/2012/January/12-crm-060.html>; Marubeni Corporation Statement, "Settlement with the U.S. Department of Justice regarding the Nigeria LNG Project," January 18, 2012, accessed at <http://www.marubeni.com/news/2012/120118e.html>