

Nigerian Bribery Box Score

Opening Day of the Baseball season is fast approaching and perhaps it is time to give a baseball statistician's view to the Nigerian bribery case. Yesterday, The Guardian reported that a UK court ruled that UK citizen Jeffery Tesler should be extradited to the US to stand trial. District Judge Caroline Tubbs, sitting at Westminster magistrates' court in London, rejected Tesler's arguments to fight off the extradition attempt. Judge Tubbs found that American prosecutors had alleged the crimes had a "substantial connection" with the US. She said that the Americans had already convicted one of the companies in the consortium for its part in the decade-long bribery scheme and one of the key executives who organized the corrupt payments. The Guardian, furthermore, reported that Judge Tubbs also rejected Tesler's argument that it would be "unjust and oppressive" to send him to America as prosecutors had taken a long time to charge him. Tesler had argued that he would no longer be able to get a fair trial in the US. However, the judge rejected this argument, pointing out that he was responsible for part of this delay, as he had hired lawyers to block prosecutors obtaining evidence from Switzerland.

One individual, former KBR CEO Jack Stanley has pleaded guilty to violation of the Foreign Corrupt Practices Act (FCPA) in connection with the matter. He was sentenced to 7 years in prison and is subject to ongoing cooperation with authorities on this issue.

KBR admitted that a consortium of which it was a member paid Nigerian officials at least \$132 million in bribes for engineering, procurement and construction contracts awarded between 1995 and 2004 to build liquefied natural gas facilities on Bonny Island, Nigeria. The consortium was named TSJK and consisted of subsidiaries of the following entities: KBR (then owned by Halliburton); Technip, French company; ENI, an Italian company; and JGC, a Japanese company.

SETTLEMENT (or RESERVED FOR SETTLEMENT) BOX SCORE

Entity	Fine, Penalty and Disgorgement of Profits (in \$ millions)	Amount Reserved for Resolution (app. in \$ millions)
Halliburton (KBR)	\$579	
ENI		\$350
Technip		\$330
JGC		None reported
Total	\$579	\$680

So for those of you keeping score at home, there has been and could be fines, penalties and profit disgorgement of over **\$1.2 billion**. This figure does not include the amount paid out by these corporations for attorneys' fees, forensic costs and other professional fees which can be only speculated as *priceless*.

This amount will most probably be paid to the US government but not to the Nigerian government, the country which is alleged to be the focus of the bribery. The FCPABlog has posed the question that *"Some in Nigeria will no doubt ask why the penalty money*

should end up in the U.S. Treasury and not their country?''. One reason could be that there is no current Nigerian investigation into the matter. In February, MainJustice reported that the Nigerian Senate subcommittee tasked with conducting the inquiry into the bribery scandal announced it was shutting itself down, saying that under the US-Nigeria Mutual Legal Assistance treaty, it could not obtain records from American investigators relevant to the investigation. While it does seem odd to this commentator that Nigeria would end its investigation of so public a scandal, we would conclude that Nigeria must have its own reasons for doing so.

All of this and Opening Day is less than 10 days away. We can hardly wait.

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