

LEAD DEBATE ON A BILL FOR AN ACT TO ESTABLISH THE CHARTERED INSTITUTE OF FRAUD EXAMINERS AND FOR MATTERS CONNECTED THEREWITH, 2015.

1. Distinguished colleagues, I modestly present to you a bill for an Act to establish THE CHARTERED INSTITUTE OF FRAUD EXAMINERS AND FOR MATTERS CONNECTED THEREWITH, 2015.

2. In 2008, the 6th National Assembly considered a similar proposed bill no. (SB 108) but it seemed as though the global challenges and changing trend, preoccupied the need to provide a platform for private investigative mechanisms.

Distinguished colleagues, as a matter of inexorable logic, this bill is of national and international importance, considering the increasing multifaceted fraud activities and its collateral consequences in the overall economic and political development of Nigeria in particular and the world in general.

2. In addition, it is obvious that conventional or orthodox approaches to confronting fraud particularly in the area of fraud detection and investigation have, hitherto not yielded the desired results even as they continue to be more scientific.

The Deoxyribonucleic Acid (DNA) test, which is the proof of the genetic code, that determines the actual parent of a baby, can only be handled by few professionals in Nigeria.

Equally some sophisticated crime can only be resolved through (DNA) evaluation.

The detection / proof of multiple thumb printing on our ballot papers, during elections has always been, a hectic task, as these

specialized skills are lacking in both conventional and orthodox approaches within our nation. There are other fraudulent acts of persons which require specialist investigations, about which Nigeria lacks domestic human capacity.

3. No wonder, the then Attorney General of the Federation and Minister for Justice, in the exercise of the power vested in him, under section 26 (5) of the Companies and Allied Matters Act, as Amended; authorized, the registration of the Memorandum of Association of the Instituted of Fraud Examiners on the 20th day of August, 2007, copies of which I have circulated to you.

4. The Institute was subsequently incorporated with the Corporate Affairs Commission (CAC) on the 4th of September, 2007.

5. Distinguished colleagues, following the seriousness of the key promoters of this Institute in combating Fraud, a global Anti-Fraud Seminar was organized between 16th – 17th October, 2008, at the International Conference Centre, Abuja, for which one of the best World Anti-Fraud Examiners – David Graves of Teeside University in the United Kingdom (UK) was the main speaker.

Ever since, membership has increased to over 1000, and the annual Anti- Fraud Global Conference sustained in Nigeria. The 2016 Conference has been scheduled for November 23, 2016.

1. Fraud or any Socio - Economic Crime, is a deadly virus, which, if left unchecked, weakens the economy, creates huge inequalities and constitute a mockery foundation of our democratic development. Let us pause to ask this question: what is the major cause of the present Nigerian and Global Economic Crises? The answer is Mostly Fraud, of course!

7. Distinguished colleagues, there is a cogent need for connected efforts involving both the private and public sectors in Nigeria, towards combating this "deadly virus".

For instance, in the United States of America, there is a Certified Institute of Fraud Examiners established by National legislation, that serves as a Regulatory and Controlling Agency, that checkmates the activities of fraudsters. You may wish to visit their website: www.CEnet.com, for further reference.

Consequently, it is imperative that the Chartered Institute of Fraud Examiners (CIFE), be ESTABLISHED.

In addition to performing its oversight functions, it shall also complement the police, the court and orthodox approaches in checking and investigating fraud.

The proposed Chartered Institute of Fraud Examiners, which shall be an Independent Regulatory Body, will be charged with the following critical objectives:

8. OBJECTIVES

(a). Regulate its activities, certify and maintain a Register of Chartered Members of the Institute of Fraud Examiners.

(b). To create a collegiate of Anti-Fraud Education, seminars, certificates, anti-fraud specialists and the implementation of sustainable anti-fraud regulatory frame work, provide anti-fraud specialist in Private and Public Companies, Auditing, Political Accounting, Risk Management, Banking and create greater financial transparency in the Boards of companies and parastatals, develop dynamic anti-fraud strategies, so as to avoid further National and Global Financial Crisis.

(c). To carry on research, studies, seminars, programmes, conferences, certificate programmes, strategies, aimed at acquainting participants with new methodologies of fraud prevention vis-à-vis Fraud Detection and Prosecution.

(d). To create and implement incentive and capacity building Programmes for public and private organisations, to adopt Fraud Prevention and Detection strategies, for its employees, sub-contractors and third parties, through collaborative synergy of the entire organisation's work force.

(e). To establish, maintain, conduct and manage the Institute, run, train candidates / students for programmes leading to the award of professional certificates and Diplomas, exchange programmes with similar colleges overseas, for national and international qualifying examinations, grading and generally affording them all the usual privileges. Please refer to the temporary guide to membership, herewith attached.

(f). Offer the title of the Associate Membership (ACFE), Full Membership (MCFE), and Fellowship (FCFE), to those qualified and are interested in, or engaged in the practice of teaching or preventing, detecting or deterring Fraud.

9. HIGHLIGHTS

The bill is divided into 6 parts and 1 schedule, viz:

a. Part 1: Establishment of the Institute of Fraud Examiners with its functions.

b. Part 2: Financial Provisions

c. Part 3: Appointment of Registrar

d. Part 4: Registration

e. Part 5: Professional Discipline

f. Part 6: Miscellaneous and General

The Bill, if enacted, shall afford Nigerians the opportunity to be members of the Global Association of Certified Fraud Examiners, in the World, which has membership of above forty thousand (40,000) professionals, spreading across one hundred and ten (110) countries with headquarters in Houston, Texas, United States of America.

10. The Chartered Institute of Fraud Examiners will certainly be the first of its kind in Nigeria and of course to the African sub region, dedicated to resolving the allegation of Fraud, from inception to disposition, through training as well as assisting on its prevention and detection.

11. COST IMPLICATION

As earlier said, the Chartered Institute of Fraud Examiners was registered in 2007 under the Companies and Allied Matters Act 1990.

However, as the law presently stands, the institute lacks a capacity to formally certify, regulate, and reward, recognised certificates, without a law, authorizing it from this hallowed chambers.

12. So far, distinguished colleagues, the Institute is partnering with the prestigious Babcock University and is self-sustaining through: training / seminar fees, donations and grants from members.

Therefore, it will not be a burden to the Government in terms of funding, if passed.

13. CONCLUSION

Distinguished colleagues, the yearning and desire to expand, sanitize and better improve the administration of justice in Nigeria, urgently calls for the enactment into law, the Chartered Institute of Fraud Examiners.

Its responsibilities shall include but not limited to Fraud Examination, Detection, Anti-Fraud Education, Coordination and Regulation, as well as the Discipline of her members.

This Institute does not aim at competing with any other Institute or Agency but will complement their activities.

The burden of expanding the frontiers of Fraud Investigation, to include private persons, besides the orthodox approaches, consigned to government institutions, raises the issue of a regulatory body to be known as THE CHARTERED INSTITUTE OF FRAUD EXAMINERS (CIFE).

Distinguished Colleagues, I seek your esteemed support in this regard by supporting the second reading of this bill.

Senator Foster Ogola