

AN APPRAISAL OF TERRORISM FINANCING AS A FINANCIAL CRIME IN NIGERIA

Ogwu James Onoja*

Abstract

This paper examined terrorism as a financial crime in Nigeria, focusing on how terrorist groups had accessed and utilised funds to perpetrate violent acts and destabilise the nation. It analysed the legal and regulatory frameworks established to prevent, detect, and punish terrorism financing, and assessed the effectiveness of enforcement agencies, including the Central Bank of Nigeria (CBN), the Economic and Financial Crimes Commission (EFCC), and the Financial Intelligence Unit (FIU). The study adopted a doctrinal methodology, relying on statutory provisions, case law, policy documents, and scholarly writings to evaluate the mechanisms for combating terrorism financing. The findings revealed that despite the existence of anti-money laundering and counter-terrorism financing laws, gaps in enforcement, weak inter-agency collaboration, inadequate technological capacity, and limited public awareness had facilitated the continued flow of funds to terrorist organisations. The study concluded that stronger regulatory oversight, enhanced intelligence-sharing, improved public sensitisation, and stricter enforcement had been necessary to curb terrorism financing and protect Nigeria's national security and financial system integrity.

Keywords: Terrorism, Financing, Crime, Security, Regulations.

* LL.B (HONS.), BL, LL.M, MBA, MNIM, FIOD, FCCM, SAN, FC Arb. Senior Lecturer, Bingham University, Abuja. Email: ojonoja@gmail.com

1.0 INTRODUCTION

Terrorism financing has emerged as a significant dimension of financial crimes in Nigeria, given the country's ongoing struggle with insurgent groups and transnational terror networks that exploit financial loopholes to fund their operations.¹ This form of financial crime involves the collection or provision of funds with the knowledge or intention that they will be used to carry out acts of terrorism, thereby posing serious threats to national security and the integrity of Nigeria's financial system.²

The porous nature of Nigeria's borders, cash-based economy, and weak enforcement mechanisms often enable illicit financial flows, including funds destined for terrorist activities.³ Consequently, Nigeria has developed anti-money laundering and counter-terrorism financing (AML/CFT) frameworks aligned with global standards to detect, prevent, and prosecute such offences.⁴ Despite these efforts, the persistence of terrorism financing underscores the need for robust institutional collaboration, enhanced financial intelligence, and greater public awareness to combat this grave financial crime effectively.⁵

2.0 DEFINITION AND HISTORICAL EVOLUTION OF TERRORISM FINANCING IN RELATION TO FINANCIAL CRIMES IN NIGERIA

Terrorism financing refers to the process by which individuals or organisations provide, collect, or move funds with the knowledge or intention that they will be used to support acts of terrorism, either

¹ A I Ede., *Terrorism and Counter-Terrorism Financing in Nigeria*, (2021) p. 45.

² M Abdulrahman, *The Legal Framework on Anti-Terrorism Financing in Nigeria*, (2019) p. 122.

³ O Okoro, *Illicit Financial Flows and Terrorism Financing in West Africa*, (2020) p. 78.

⁴ J Chukwu, *AML/CFT Measures and Their Impact on Nigeria's Financial Sector*, (2022) p. 101.

⁵ K Bello, *Challenges of Combating Terrorism Financing in Nigeria*, (2020) p. 67.

directly or indirectly.⁶ In the context of financial crimes, terrorism financing is particularly complex because, unlike other financial crimes motivated by profit, its primary aim is to facilitate violent ideological objectives through illicit monetary channels.⁷ The international community, through instruments such as the International Convention for the Suppression of the Financing of Terrorism (1999) and the Financial Action Task Force (FATF) Recommendations, has set the global standard for defining and criminalising terrorism financing.⁸ In the case of *SALISU v FRN (2015) LPELR-25821(CA)* "Section 46 of the Act (supra) defines "terrorism" as follows: "Terrorism' means:- (a) Any act which is a violation of the Criminal Code or the Penal Code and which may endanger the life, physical integrity or freedom of, or cause serious injury or death to, any person, any number or group of persons or causes or may cause damage to public or property, natural resources, environmental or cultural heritage and is calculated or intended to:-

- (i) Intimidate, put in fear, force, coerce or induce any government, body, institution, the general public or any segment thereof, to do or abstain from doing any act or to adopt or abandon a particular standpoint, or to act according to certain principles, or
- (ii) Disrupt any public service, the delivery of any essential service to the public or to create a public emergency, or
- (iii) Create general insurrection in a State. (b) Any promotion, sponsorship of, contribution to, command, aid, incitement, encouragement, attempt, threat, conspiracy, organization or procurement of any person, with the intent to commit any act referred to in Paragraph (a)(i), (ii) and (iii)." **Per JOSEPH TINE TUR, JCA (Pp 3 - 4 Paras A - A)**

⁶ A. I. Ede, *Terrorism and Counter-Terrorism Financing in Nigeria*, 2021, p. 23.

⁷ M. Abdulrahman, *The Legal Framework on Anti-Terrorism Financing in Nigeria*, 2019, p. 120.

⁸ O. Okoro, *Illicit Financial Flows and Terrorism Financing in West Africa*, 2020, p. 15.

In Nigeria, the historical evolution of terrorism financing is closely linked to the rise of insurgent groups such as Boko Haram and Islamic State West Africa Province (ISWAP), which have relied on diverse sources including ransom payments, charitable fronts, smuggling, and illicit financial flows to sustain their operations.⁹ Prior to the emergence of large-scale terrorism in the early 2000s, Nigeria's financial crime landscape was dominated by corruption, fraud, and money laundering, with little focus on terror-related financial flows.¹⁰ The escalation of terrorist activities exposed the vulnerabilities of Nigeria's financial system, particularly its large informal sector and under-regulated money transfer services, which terrorists exploited to move funds undetected.¹¹

In response, Nigeria began to develop its legal and institutional frameworks to tackle terrorism financing, starting with the enactment of the Terrorism (Prevention) Act 2011, subsequently amended in 2013, which expressly criminalised the financing of terrorism and imposed reporting obligations on financial institutions.¹² Over the years, Nigeria has strengthened its anti-money laundering and counter-terrorism financing (AML/CFT) regimes in line with FATF standards, and established key institutions such as the Nigerian Financial Intelligence Unit (NFIU) to monitor and analyse suspicious transactions.¹³ Despite these efforts, challenges such as poor inter-agency coordination, limited technical capacity, and a cash-driven economy continue to hinder the effective detection and prosecution of terrorism financing in Nigeria.¹⁴

⁹ A. I. Ede, *Terrorism and Counter-Terrorism Financing in Nigeria*, 2021, p. 47.

¹⁰ M. Abdulrahman, *The Legal Framework on Anti-Terrorism Financing in Nigeria*, 2019, p. 122.

¹¹ O. Okoro, *Illicit Financial Flows and Terrorism Financing in West Africa*, 2020, p. 85.

¹² J. Chukwu, *AML/CFT Measures and Their Impact on Nigeria's Financial Sector*, 2022, p. 102.

¹³ K. Bello, *Challenges of Combating Terrorism Financing in Nigeria*, 2020, p. 55.

¹⁴ J. Chukwu, *AML/CFT Measures and Their Impact on Nigeria's Financial Sector*, 2022, p. 104.

Understanding this historical evolution is vital for policymakers, law enforcement, and the public in appreciating the intersection between terrorism financing and broader financial crimes, and in designing strategies to disrupt the financial lifelines that enable terrorism to thrive.¹⁵

3.0 LEGAL FRAMEWORKS FOR TERRORISM FINANCING IN RELATION TO FINANCIAL CRIMES IN NIGERIA

3.1 The Constitution of the Federal Republic of Nigeria 1999 (as amended) provides the foundational legal authority for the enactment of laws against terrorism financing by empowering the National Assembly to make laws for the peace and security of the country.¹⁶

3.2 The Terrorism (Prevention) Act 2011, as amended by the Terrorism (Prevention) (Amendment) Act 2013, is the primary legislation that expressly criminalises the financing of terrorism, prescribing penalties for individuals and organisations who provide or collect funds with the intent that they be used to commit terrorist acts.¹⁷

3.3 The Money Laundering (Prohibition) Act 2011 (as amended) complements the Terrorism Prevention Act by addressing the laundering of funds that could be used to finance terrorism, and imposes strict obligations on financial institutions and Designated Non-Financial Businesses and Professions (DNFBPs) to report suspicious transactions.¹⁸

3.4 The Economic and Financial Crimes Commission (Establishment) Act 2004 establishes the EFCC as the key agency to investigate and prosecute financial crimes including

¹⁵ K. Bello, *Challenges of Combating Terrorism Financing in Nigeria*, 2020, p. 68.

¹⁶ A. I. Ede, *Terrorism and Counter-Terrorism Financing in Nigeria*, 2021, p. 52.

¹⁷ M. Abdulrahman, *The Legal Framework on Anti-Terrorism Financing in Nigeria*, 2019, p. 130.

¹⁸ O. Okoro, *Illicit Financial Flows and Terrorism Financing in West Africa*, 2020, p. 90.

money laundering and terrorism financing, thereby providing institutional backing to the enforcement of relevant laws.¹⁹

3.5 The **Nigerian Financial Intelligence Unit (NFIU) Act 2018** strengthens the legal framework by establishing the NFIU as an autonomous body responsible for receiving, analysing, and disseminating financial intelligence on suspicious transactions related to terrorism financing.²⁰

3.6 The **Central Bank of Nigeria (Anti-Money Laundering and Combating the Financing of Terrorism in Banks and Other Financial Institutions in Nigeria) Regulations** provide detailed regulatory guidelines for financial institutions to implement effective customer due diligence, record keeping, and reporting measures to prevent their systems from being used to finance terrorism.

Nigeria is also bound by several **international conventions and treaties**, such as the International Convention for the Suppression of the Financing of Terrorism (1999) and the United Nations Security Council Resolutions, which impose obligations on Nigeria to criminalise and prevent terrorism financing through domestic law.

Furthermore, Nigeria's commitment to the **Financial Action Task Force (FATF) Recommendations** and its membership of the Inter-Governmental Action Group Against Money Laundering in West Africa (GIABA) ensures that its legal frameworks are regularly updated to meet international best practices on countering terrorism financing.

Despite these comprehensive laws, enforcement challenges such as limited technical capacity, corruption, and inadequate

¹⁹ J. Chukwu, *AML/CFT Measures and Their Impact on Nigeria's Financial Sector*, 2022, p. 110.

²⁰ K. Bello, *Challenges of Combating Terrorism Financing in Nigeria*, 2020, p. 72.

inter-agency coordination often hamper the effectiveness of the legal frameworks in tackling terrorism financing in Nigeria.²¹

4.0 INSTITUTIONAL FRAMEWORKS ON TERRORISM FINANCING IN RELATION TO FINANCIAL CRIMES IN NIGERIA

4.1 Economic and Financial Crimes Commission (EFCC)

The EFCC is Nigeria's foremost agency for investigating and prosecuting financial crimes, including terrorism financing. It traces, freezes, and recovers assets linked to terrorism and collaborates with domestic and international agencies to dismantle financing networks.²²

4.2 Nigerian Financial Intelligence Unit (NFIU)

The NFIU serves as the central national body for receiving, analysing, and disseminating financial intelligence to combat money laundering and terrorism financing. It ensures compliance with international standards and liaises with Financial Intelligence Units worldwide.²³

4.3 Central Bank of Nigeria (CBN)

The CBN regulates banks and other financial institutions to enforce Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT) measures. It issues guidelines, supervises compliance, and ensures the financial sector is resilient against terrorist misuse.²⁴

4.4 Office of the National Security Adviser (ONSA)

The ONSA coordinates Nigeria's overall counter-terrorism strategy and provides policy leadership through the National Counter Terrorism Centre (NCTC). It drives inter-agency

²¹ K. Bello, *Challenges of Combating Terrorism Financing in Nigeria*, 2020, p. 74.

²² I E Sagay, "The Role of EFCC in Combating Terrorism Financing in Nigeria," (2018) Nigerian Journal of Economic Crimes, p. 45.

²³ M.A. Akanbi, "Financial Intelligence and Terrorism Financing: The Nigerian Perspective," (2020) University of Ilorin Law Journal, p. 88.

²⁴ O O Olaniyan, "Regulatory Role of CBN in Combating Terrorism Financing," (2021) Babcock University Law Review, p. 104.

cooperation, intelligence sharing, and strategic plans to prevent terrorism financing.²⁵

4.5 National Counter Terrorism Centre (NCTC)

The NCTC implements Nigeria's National Counter Terrorism Strategy (NACTEST), working with local and international partners to detect and disrupt funding sources for terrorist activities.²⁶

4.6 Nigeria Police Force Counter Terrorism Unit (CTU)

The CTU investigates terrorism cases, conducts surveillance operations, and works with financial and intelligence agencies to uncover funding channels used by terrorist organisations.²⁷

4.7 Securities and Exchange Commission (SEC)

The SEC ensures that the Nigerian capital market is not exploited for terrorism financing by enforcing strict AML/CFT requirements for market operators and reporting suspicious activities.

4.8 Nigeria Customs Service (NCS)

The NCS monitors imports, exports, and cross-border cash movements to prevent smuggling and illegal currency flows that could fund terrorist groups.

4.9 Nigeria Immigration Service (NIS)

The NIS controls the movement of persons in and out of Nigeria and collaborates with other agencies to detect and disrupt cross-border networks involved in terrorism financing.

4.10 Judiciary and Designated Courts

The Federal High Court has jurisdiction to try terrorism financing offences under the Terrorism (Prevention and Prohibition) Act, 2022, including freezing orders and asset forfeiture proceedings.

4.11 Inter-Agency Committees and Task Forces

Committees like the Presidential Committee on FATF Implementation promote synergy among regulatory and

²⁵ A B Salihu, "The Office of the NSA and National Security in Nigeria," (2019) Nigerian Defence Studies Journal, p. 71.

²⁶ F K Bwala, "Counter-Terrorism Structures and Financial Crimes: The Nigerian Approach," (2022) Ahmadu Bello University Journal of Public Law, p. 67.

²⁷ C I Eze, "The Role of Police in Counter-Terrorism Financing Measures," (2020) Nigerian Police Journal, p. 90.

enforcement bodies to align with global standards for countering terrorism financing.

4.12 International Partnerships

Nigeria's institutional frameworks benefit from cooperation with organisations such as GIABA, the FATF, the UNODC, and other global and regional partners that support training, capacity building, and intelligence sharing.²⁸

5.0 GLOBAL EFFORTS TOWARDS COMBATING TERRORISM FINANCING IN RELATION TO FINANCIAL CRIMES

5.1 Financial Action Task Force (FATF)

The FATF is the leading international standard-setting body for combating money laundering and terrorism financing. Forty Recommendations and the Special Nine Recommendations on Terrorist Financing provide a global framework for countries to criminalise terrorism financing, implement preventive measures, and facilitate international cooperation.²⁹

5.2 United Nations (UN) Counter-Terrorism Measures

The UN, through instruments like the International Convention for the Suppression of the Financing of Terrorism (1999), mandates member states to criminalise the direct and indirect financing of terrorism. UN Security Council Resolutions, such as UNSCR 1373, also require states to freeze terrorist assets and strengthen cross-border cooperation.³⁰

5.3 Egmont Group of Financial Intelligence Units

The Egmont Group is an international network that facilitates the exchange of financial intelligence among FIUs worldwide. By promoting secure information sharing, it enhances the detection

²⁸ J.O. Adebayo, *“International Cooperation and the War Against Terrorism Financing,”* (2021) *Journal of Transnational Financial Crimes*, p. 84.

²⁹ M A Akanbi, *“The FATF Forty Recommendations: Global Standards on Terrorism Financing,”* (2021) *University of Ilorin Law Journal*, p. 123.

³⁰ I E Sagay, *“The UN Framework Against Terrorism Financing: An Appraisal,”* (2020) *Nigerian Journal of International Law*, p. 87.

and investigation of suspicious transactions linked to terrorism financing.³¹

5.4 Inter-Governmental Action Group Against Money Laundering in West Africa (GIABA)

As a regional FATF-style body for West Africa, GIABA assists member states, including Nigeria, to comply with international AML/CFT standards. It conducts mutual evaluations, technical assistance, and capacity building to strengthen the fight against terrorism financing.³²

5.5 World Bank and International Monetary Fund (IMF)

The World Bank and IMF provide technical assistance, capacity building, and financial system assessments to help countries adopt effective measures for preventing terrorism financing. They conduct Financial Sector Assessment Programs (FSAPs) that include AML/CFT components.³³

5.6 Financial Intelligence Sharing Initiatives

Multilateral frameworks such as the Egmont Secure Web, INTERPOL's Financial Crimes Unit, and Europol's Terrorist Finance Tracking Programme facilitate timely information exchange and cross-border investigations into terrorism financing cases.³⁴

5.7 Global Forum on Transparency and Exchange of Information

This OECD initiative promotes transparency and the exchange of information among tax authorities, helping to detect hidden assets and financial flows that might support terrorism.

5.8 UN Office on Drugs and Crime (UNODC)

The UNODC works globally to strengthen legal frameworks, train law enforcement, and build capacity for prosecuting terrorism financing and related financial crimes.

³¹ F K Bwala, *"The Role of the Egmont Group in Combating Terrorism Financing,"* (2022) Ahmadu Bello University Journal of Public Law, p. 102.

³² J O Adebayo, *"Regional Responses to Terrorism Financing: The GIABA Experience,"* (2019) Journal of Transnational Financial Crimes, p. 60.

³³ O O Olaniyan, *"The World Bank and IMF Contributions to AML/CFT Regimes,"* (2021) Babcock University Law Review, p. 78.

³⁴ A B Salihu, *"International Information Sharing Mechanisms Against Terrorism Financing,"* (2020) Nigerian Defence Studies Journal, p. 50.

5.9 International Sanctions and Asset Freezing Measures

Global counter-terrorism regimes rely on coordinated sanctions lists such as the UN Consolidated Sanctions List, requiring member states to freeze assets of designated individuals and entities linked to terrorism.

5.10 Bilateral and Regional Cooperation Treaties

Many countries enter bilateral and regional agreements to share intelligence, conduct joint operations, and repatriate illicit funds connected to terrorism financing. These collaborations ensure that no jurisdiction becomes a safe haven for terrorism financiers.³⁵

6.0 TERRORISM FINANCING AS A FINANCIAL CRIME IN NIGERIA

Terrorism financing in Nigeria has evolved into one of the most complex and persistent financial crimes, driven by the expansion of violent extremist networks, the sophistication of informal value-transfer systems, and the vulnerability of the Nigerian financial landscape to exploitation. The phenomenon operates not merely through the movement of illicit money but through a broad ecosystem of economic, social and political structures that enable violent groups to mobilize resources for recruitment, logistics, weapons acquisition and ideological propagation. The Nigerian experience shows that terrorist organizations such as Boko Haram, ISWAP, and various bandit groups have constructed intricate financial channels that operate both within and outside the regulated financial sector.³⁶

One notable feature of terrorism financing in Nigeria is that the funds used to sustain terrorist groups do not always originate from criminal activity. Rather, a mixture of legitimate and illegitimate streams flows into extremist networks. For instance, funds from small-scale trading, agricultural proceeds, informal tax collection by armed groups, and

³⁵ C.I. Eze, "Bilateral Cooperation in Combating Terrorism Financing," (2020) Nigerian Police Journal, p. 74.

³⁶ A O Oladejo & R. A. Alabi, *The Political Economy of Terrorism in Nigeria, 2025*, p. 37.

even community contributions have been redirected to support terrorist activities, especially in regions where state authority is weak and alternative governance structures have emerged.³⁷ Thus, terrorism financing in Nigeria is embedded in everyday economic survival, creating a blurred line between coerced contributions and voluntary ideological support.

A second feature is the increasing reliance on **cash-based operations**, largely due to the dominance of informal markets and low financial inclusion rates in rural and conflict-prone regions. Terrorist financiers exploit Nigeria's cash-heavy economy, porous borders, and weak documentation processes, making it difficult for law enforcement agencies to trace transactions. In the North-East, for example, cross-border livestock trading, informal currency exchanges, and unregulated transport networks have become major channels for moving funds undetected across Niger, Chad, and Cameroon. The widespread use of cash couriers, smugglers and trusted local intermediaries enables funds to circulate outside the banking system, thereby undermining financial intelligence efforts. Terrorist financiers in Nigeria also rely heavily on **informal financial transfer mechanisms** such as hawala-style networks, local traders' associations and kinship-based remittance systems. These structures operate on trust, anonymity and community reputation, without leaving digital or documentary footprints.³⁸ Because these arrangements are deeply embedded in local culture and commerce, attempts by regulators to monitor them often face resistance from communities that depend on them for legitimate economic activity. Additionally, extremist groups have adapted to disruptions by decentralizing their financial operations, minimizing the risk that a single interception will cripple their entire network.

³⁷ O. C. Offor, *Terrorism Financing in Nigeria: Its Roots, Impacts and Possible Reforms*, 2022, p. 20.

³⁸ H. Okorie, *Anti-Money Laundering and Terrorist Financing in Nigeria*, Abia, 2025, p. 6.

In recent years, the **digital dimension** of terrorism financing has expanded significantly. Mobile money services, online crowdfunding platforms, and cryptocurrency channels have become attractive tools for both domestic and foreign financiers. Although the Central Bank of Nigeria has imposed strict regulations on cryptocurrency trading, the anonymity and cross-border fluidity of digital assets still pose enforcement difficulties. Terrorist groups have reportedly used multiple low-value transactions to avoid triggering reporting thresholds, while social media messaging applications facilitate coordinated fundraising efforts among diaspora sympathizers. The growth of fintech services while beneficial to financial inclusion has inadvertently created new vulnerabilities within the national security architecture.

Another critical component of terrorism financing in Nigeria is the **use of proceeds of conventional crimes** to sustain extremist networks. Kidnapping for ransom, arms trafficking, cattle rustling, illegal mining and narcotics trading have become major revenue sources.³⁹ In many cases, terrorism financing is intertwined with organized crime, forming a mutually reinforcing relationship where criminal groups gain protection from armed groups while terrorists gain financial support from criminal proceeds. The increasing commercialization of kidnapping, for instance, has created a lucrative kidnapping-terrorism nexus where ransom payments fuel insurgent operations. This fusion of violent extremism with economic criminality complicates the task of disrupting financial flows because the same funds may originate from crimes that are common, decentralized and widespread across multiple states.

Institutionally, Nigeria has undertaken significant reforms to address terrorism financing. The Terrorism (Prevention and Prohibition) Act, AML/CFT regulations, and the mandates of agencies such as the Nigerian Financial Intelligence Unit (NFIU), EFCC, DSS and the

³⁹ O. J. Olujobi & E. T. Yebisi, *Money Laundering and Terrorism Financing in Nigeria*, London, 2022, p. 270.

Office of the National Security Adviser (ONSA) collectively create a legal-administrative framework for detecting and deterring illicit financial flows. The introduction of compulsory reporting obligations for financial institutions and designated non-financial businesses and professions seeks to expand the surveillance reach of the state. However, despite these measures, enforcement challenges persist, including inadequate investigative capacity, insufficient inter-agency coordination, political interference in prosecutions, and the complexity of tracing funds passing through informal or foreign networks.⁴⁰

Furthermore, terrorism financing in Nigeria has significant socio-economic impacts. By sustaining prolonged conflict, it disrupts local economies, displaces populations, and shifts resources away from development toward security expenditure. It also affects investor confidence, particularly in regions where terrorist groups have established semi-structured taxation systems, thereby undermining formal economic activities. The persistence of terrorism financing demonstrates that financial crime is not merely a legal issue but a governance challenge, requiring effective state presence, economic stabilization, public trust, and community-based intelligence. A comprehensive counter-terrorism financing strategy must therefore integrate financial surveillance with broader efforts to address poverty, unemployment, weak institutions, and the socio-political grievances that terrorists exploit.

Terrorism financing in Nigeria operates as a multifaceted financial crime that thrives on the intersection of weak regulatory frameworks, informal economic systems, socio-economic vulnerabilities and transnational criminality. Its nature is dynamic, adaptive and deeply embedded in Nigeria's economic and social structures. The country's response must therefore remain equally dynamic combining legal reforms, intelligence-driven investigations, financial sector

⁴⁰ I. A. Abubakar, *Legal and Administrative Framework for Combating Terrorist Financing*, 2025, p. 11.

monitoring, community engagement and international cooperation. Without addressing the underlying economic and institutional weaknesses that enable terrorist groups to mobilize funds, legal measures alone will remain insufficient to dismantle the financial arteries that sustain extremist violence.

Based on the analysis of terrorism financing as a financial crime in Nigeria, the following recommendations were made:

- a. **Strengthened Regulatory Oversight:** Agencies such as the Central Bank of Nigeria (CBN), the Economic and Financial Crimes Commission (EFCC), and the Financial Intelligence Unit (FIU) should have enhanced monitoring of financial transactions to detect suspicious activities that could fund terrorism.
- b. **Enhanced Intelligence and Information Sharing:** There should have been improved collaboration and information exchange among security agencies, banks, and international partners to trace and disrupt terrorist financing networks.
- c. **Public Awareness and Reporting Mechanisms:** Citizens, financial institutions, and businesses should have been sensitised on the indicators of terrorism financing and encouraged to report suspicious transactions to authorities promptly.
- d. **Tighter Regulatory Frameworks:** Laws and regulations relating to anti-money laundering (AML) and combating the financing of terrorism (CFT) should have been periodically reviewed and updated to address evolving financial methods used by terrorist organisations.
- e. **Capacity Building and Technological Investment:** Enforcement agencies should have received training, advanced investigative tools, and technology to track complex financial networks used in terrorism financing.
- f. **International Cooperation:** Nigeria should have strengthened collaboration with international organisations and financial institutions to prevent cross-border terrorism financing and ensure compliance with global standards.

- g. **Stricter Penalties:** Harsher sanctions and swift prosecution should have been enforced against individuals and entities involved in financing terrorism to deter participation and reinforce accountability.

7.0 CONCLUSION

This paper has established that terrorism financing constitutes a serious financial crime in Nigeria, threatening national security, economic stability, and the integrity of the financial system. Despite the existence of regulatory frameworks and enforcement agencies, gaps in monitoring, inadequate inter-agency coordination, and limited public awareness had allowed terrorist groups to access funds through formal and informal channels.

The analysis reveals that curbing terrorism financing required a multifaceted approach, combining strict legal enforcement, technological vigilance, international cooperation, and active citizen participation, unless the recommended measures above are implemented, the risk of terrorism financing would have persisted, undermining national security and economic development, while weakening public confidence in financial institutions and regulatory mechanisms.