DEMAND FOR IMMEDIATE REJECTION OF FORMER PUBLIC OFFICE HOLDERS AS BOARD
MEMBERS OF MTN NIGERIA COMMUNICATIONS PLC.

The above subject matters.

This petition is out of concern raised by the report published by Proshare on the 25th July 2019. It was reported that Pascal Dozie’s exit as MTN Nigeria’s Chairman welcomed new Directors who offer strong local pull with Regulatory Commissions and the Office of the Presidency. It was reported that MTN Nigeria’s recent Board members’ selection represent a brilliant strategic move to quarantine the organization from adverse local political action given its recent history with the regulatory agency, the Nigerian Communications Commission, NCC, and the office of the Attorney General of the Federation, AGF.

According to the report by Proshare, few of the names of such Directors include, its designate Chairman, Mr. Ernest Ndukwu, an engineer, who was one-time Executive Vice Chairman of the Nigerian Communications Commission and it reported that his presence on the Board will afford the company the benefit of having a regulatory insider available to intervene on its behalf in troubled times. Also, on the board is Mr. Muhammad Ahmed, former Chairman of the Technical Committee of the Nigerian Code on Corporate Governance and also it was alleged that he will bring to the Board technical guidance and public credibility on issues related to the company’s internal control processes and overall governance standards. In addition, it was also reported that Muhammed Ahmed also Chairs the Boards of two local banks and is also on the interim Board of International Energy Insurance Company (IEI) and it was perceived that he has been brought on the Board to provide a sound Board for governance and protect the company from the intrusion of third-party investigators.

https://www.proshareng.com/news/People/Pascal-Dozie%E2%80%99s-Goodbye--Understanding-MTN%E2%80%99s-%E2%80%98Ring-Fencing%E2%80%99-Board-Game/46280
It was equally reported that the presence of Mr. Andrew Alli on the MTN Nigeria’s Board as a non-Executive director provides MTNN with the technical expertise of a seasoned banker and the extensive local contacts of a long-standing local Boardroom executive. As conveyed in the report, Alli’s nomination also seems to give the outgoing Chairman, Dr. Dozie, a backdoor channel to the Board as Alli is known to be a long-time associate of Pascal Dozie and was at one time speculated to have been head-hunted as a possible managing director of Pascal Dozie’s now defunct Diamond Bank. Alli, a chartered accountant, has extensive investment banking experience and was at one time on the Board of MTNN representing the International Finance Corporation (IFC). Alli will likely be Dr. Dozie’s principal liaison with the MTNN C-suite.

Another person on the board as reported is Mrs. Omobola Johnson, a former Minister for Communication between 2011 and 2015 who is believed will reinforce the company’s efforts at ring fencing its local Nigerian operations from potential institutional and political headwinds.

It was also reported that it is strategic to appoint to the Board, Mrs Ifueko Okauru who was a former Executive Chairman of the Federal Inland Revenue Services (FIRS) and remains a respected local authority on taxation.

Transparency, neutrality and accountability is at the core of our value as an organisation and this greatly influences this petition. Mrs. Ifueko Okauru was a one-time Chairman of Federal Inland Revenue Service (FIRS) when the Nigeria Labour Congress demanded Economic and Financial Crimes Commission to probe the operations of MTN Nigeria following allegations of illicit financial flow and tax evasion as reported by Punch News on the 17th September, 2018. These allegations were not addressed by Mrs. Ifueko Okauru as Chair of FIRS, exposing the nation to losses of funds badly needed by the country for developmental purposes.

As relayed above, Mrs. Okauru was Chairman of FIRS when the allegations of MTN Nigeria’s tax evasion of over $2 billion relating to import duties, VAT, withholding tax on foreign import/payments and despite this it was reported that tranches of transfers were discovered to have been made to companies in Dubai and Mauritius as reported by Satellite Times on the 8th October, 2018 and these allegations under the nose of the former Chairman was consequent upon the failure of the FIRS to undertake diligent and effective supervision and no record of investigations to confirm the authenticity or otherwise while in office.

It was reported by Quartz Africa on November 18, 2015 that in August 2015, major mobile companies in Nigeria were fined by the NCC for failure to adhere to the law and were given a week to de-activate unregistered lines. It was reported that while other mobile firms complied, MTN flouted the regulator’s instructions, leaving 5.2 million unregistered users on its network and the fine was due on November 17, 2015, but MTN managed to secure a postponement until negotiations between the two parties over the fine had concluded. It is a complete show of irony that Mr. Ernest Ndukwe who was once the Vice Chairman of Nigerian Communications Commission, the regulatory body solely responsible for the business activities of

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telecommunications and Mrs. Mobolaji Johnson as the Communication Minister at the time of this infraction will be selected as the designate chairman and Board Member respectively by the telecommunication company.

The NCC and Communication ministry watched the same telecommunication company flout rules without actions against the company until a change in government and NCC management.

It is our firm believe that these persons who were once public office holders who ought to have acted against some activities and alleged infractions of this company but failed in their responsibilities and capacities and now being compensated with appointment on the board. This only goes to suggest that the organisation would be indulged in further cutting corners with the confidence of the influence of these persons in their former respective capacities which we believe will amount to evading sanctions and on the whole rub the nations of its sanctity.

We are a non-governmental organization and non-partisan human rights and development league with the mandate to protect and promote universally recognized human rights, accountability and environmental justice in Nigeria and Africa, in accordance with international standards. We hereby demand that according to Rule 601 of the SECURITIES AND EXCHANGE COMMISSION RULES AND REGULATIONS, 2013, which empowers the Commission to impose sanctions on registered companies, particularly Rule 601(5) states the removal of executive officers of a capital market operator, securities exchange, capital trade point and other SROs as one of the sanctions that can be imposed by the Commission. We hereby demand that this provision be meted out on MTN Nigeria Communications Plc with respect to the newly constituted board, based on the above relayed and the eventually undue privileges peddling that this may result to.

In the light of the above, we hereby demand that the Commission rejects with immediate effect the nomination of the above stated persons (Dr. Ernest Ndukwe, Mrs. Mobolaji Johnson, Mrs. Ifueko Omoigui Okauru and Mr. Muhamad Ahmed) as members of the Board of the MTN Nigeria Communications Plc. within 14 days of the receipt of this letter, or in the event that this is not done within the stated period, we shall without a further recourse to you proceed to a court of competent jurisdiction to demand the performance of this request.

While we look forward to your prompt response and action, accept our best regards.

Yours faithfully,

Olanrewaju Suraju
Chairman