



Inter-Governmental Action Group against Money Laundering in West Africa
Groupe Intergouvernemental d'Action contre le Blanchiment d'Argent en Afrique de l'Ouest
Grupo Inter Governamental de Acção contra o Branqueamento de Dinheiro em África Ocidental

Bank Executives Identified Challenges in AML/CFT Implementation by Financial Institutions

Bank chief executives of the Economic Community of West African States (ECOWAS) converged in Dakar, the headquarters of the Republic of Senegal for a 2-day regional workshop on anti-money laundering and counter-financing of terrorism (AML/CFT) compliance organized by the Inter-Governmental Action Group against Money Laundering in West Africa (GIABA).

The workshop held from 9-10 July, 2010 at Hotel Teranga was designed to acquaint bank executives of their roles in implementing AML/CFT regimes with a view to promote a robust, sound and efficient financial system in the region.

The workshop which was delivered in syndicate groups, plenary and experience-sharing sessions deliberated on the following thematic areas: AML/CFT governance structure in banks, Implementing AML/CFT framework for good operational practices, Risk-based approach to AML/CFT compliance, Reporting obligations of banks in the AML/CFT framework, Strategies for regulator-operator partnership in implementing robust AML/CFT regime by experts with intensive knowledge and experience in AML/CFT background in the region and internationally.

Participants identified amongst other challenges facing financial institutions in GIABA member States to include weak internal control framework, poor corporate governance framework, dearth of competent internal control officers, lack of central database, reluctance of banks to share customer information, weak legislations and lack of awareness and training on AML/CFT issues.

Other challenges identified in the implementation of AML/CFT issues by financial institutions at the workshop are inability to authenticate and verify documents submitted by customers and genuineness of officials documents from issuing authorities, unhealthy competition, lack of adequate and timely feedback on reported cases and suspicious transactions and lack of political will and commitment to the fight against money laundering and financing of terrorism etc.

As a way forward towards strengthening a robust AML/CFT regime in the region, participants at the workshop recommended the provision of database for verification of customer identity, imposition of sanctions on banks with weak corporate governance framework and also the participants called on governments to create an enabling environment by developing and implementing the structural and legal framework for AML/CFT regime.

Furthermore, participants advocated for awareness creation to educate the populace against the menace of transnational organized crimes in particular money laundering and financing of terrorism, collaboration among money deposit banks in sharing information and data in respect of politically exposed persons (PEPs) and the need for banks to implement robust compliance programmes and customers' acceptance policies that can detect and report suspicious financial transactions etc.

In an opening remark, the Director General of GIABA, Dr Abdullahi Shehu disclosed that the workshop was a follow-up to the 2008 Banjul bank chief compliance officers seminar aimed at promoting networking among operators in the region towards facilitating information sharing and dissemination on AML/CFT issues.

The Director General stated that the implementation of robust AML/CFT regimes requires concerted, coordinated and collaborative efforts; hence the need to solicit the support of bank executives in promoting the implementation of effective AML/CFT measures in the region.

Dr Shehu urged financial institutions to constantly apply prudential internal controls that can guarantee their safety and soundness through application of proper customer identification procedures, determination of beneficial ownership, proper record keeping and effective monitoring of suspicious activities.

In his keynote address, the Governor of BCEAO, Mr. Philippe-Henri Dacoury-Tabley reiterated the need for financial institutions to adhere to regulations to ensure operational efficiency. In their goodwill messages, the Ambassadors of the Republic of Ghana, His Excellency Mr. Abdulai Yakubu, and Federal Republic of Nigeria, Her Excellency Mrs. Azuka Cecilia Uzoka-Emejulu, assured GIABA of their unflinching support in the global fight against money laundering and terrorist financing towards protecting the financial systems from abuse by criminals.

Groupe Intergouvernemental d'Action contre le Blanchiment d'Argent en Afrique de l'Ouest
Complexe SICAP, Point -E, Immeuble A 1er étage, Av. Cheikh-Anta-DIOP x Canal IV
BP. 32400, Dakar-Ponty, Sénégal Tél.: (+221) 33 859 18 18 / 33 824 17 52 Fax: (+221) 33 824 17 45
- secretariat@giaba.org www.giaba.org