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<td>ACBF</td>
<td>African Capacity Building Foundation</td>
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<tr>
<td>ACPR</td>
<td>French Prudential Supervisory Authority</td>
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<td>ACSRT</td>
<td>African Centre for Study and Research on Terrorism</td>
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<td>AFC</td>
<td>Administration and Finance Committee</td>
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<td>AfDB</td>
<td>African Development Bank</td>
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<td>AIC</td>
<td>Abidjan Information Centre</td>
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<tr>
<td>AML/CFT</td>
<td>Anti-Money Laundering/Counter Financing of Terrorism</td>
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<td>ANLC</td>
<td>National Anti-Corruption Agency</td>
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<td>ARMU</td>
<td>Asset Recovery and Management Unit</td>
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<td>AU</td>
<td>African Union</td>
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<td>BCC</td>
<td>Central Bank of The Comoros</td>
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<td>BCEAO</td>
<td>Central Bank of West African States</td>
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<td>BNI</td>
<td>Bearer Negotiable Instrument</td>
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<td>BoG</td>
<td>Bank of Ghana</td>
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<td>CBG</td>
<td>Central Bank of The Gambia</td>
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<td>CBL</td>
<td>Central Bank of Liberia</td>
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<tr>
<td>CBN</td>
<td>Central Bank of Nigeria</td>
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<td>CCGA</td>
<td>Asset Freezing Advisory Committee</td>
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<td>CDD</td>
<td>Customer Due Diligence</td>
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<td>CDO</td>
<td>Country Data Officer</td>
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<td>CFT</td>
<td>Counter Financing of Terrorism</td>
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<td>CLAB</td>
<td>Anti-Money Laundering Liaison Committee</td>
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<td>CPI</td>
<td>Corruption Perceptions Index</td>
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<td>CREPMF</td>
<td>Regional Council for Investments and Capital Markets</td>
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<td>CRESMAO</td>
<td>West African Regional Marine Safety Centre</td>
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<td>CRF</td>
<td>Financial Intelligence Centre</td>
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<td>CSF</td>
<td>Community Strategic Framework</td>
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<td>CSO</td>
<td>Civil Society Organization</td>
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<td>Abbreviation</td>
<td>Full Form</td>
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<tr>
<td>CTAF</td>
<td>Tunisia Financial Analysis Commission</td>
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<td>Counter</td>
<td>Counter-Terrorism Executive Directorate</td>
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<td>CTR</td>
<td>Cash Transaction Report</td>
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<td>DGSFAI</td>
<td>General Financial and Insurance Supervision Department</td>
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<td>DNFBPs</td>
<td>Designated Non-Financial Businesses and Professions</td>
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<td>ECG</td>
<td>Evaluation and Compliance Group</td>
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<td>ECOWAS</td>
<td>Economic Community of West African States</td>
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<td>EDF</td>
<td>European Development Fund</td>
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<td>EFCC</td>
<td>Economic and Financial Crimes Commission</td>
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<td>EGDC</td>
<td>ECOWAS Gender Development Centre</td>
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<td>ESAAMLG</td>
<td>Anti-Money Laundering Group in Eastern and Southern Africa</td>
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<td>EU</td>
<td>European Union</td>
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<td>FATF</td>
<td>Financial Action Task Force</td>
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<td>FATF-TREIN</td>
<td>FATF Training and Research Institute</td>
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<td>FEB</td>
<td>Foreign Exchange Bureau</td>
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<td>FinTech</td>
<td>Financial Technologies</td>
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<td>FIU</td>
<td>Financial Intelligence Unit</td>
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<td>FSRB</td>
<td>FATF-Style Regional Body</td>
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<td>GABAC</td>
<td>Anti-Money Laundering Group in Central Africa</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GIABA</td>
<td>Intergovernmental Action Group against Money Laundering in West Africa</td>
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<td>GIZ</td>
<td>German Agency for Technical Cooperation</td>
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<td>GMC</td>
<td>GIABA Ministerial Committee</td>
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<td>GNCG</td>
<td>FATF Global Network on AML/CFT Issues</td>
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<td>AML/CFT Software</td>
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<td>Ghana Revenue Authority</td>
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<td>HABG</td>
<td>High Authority for Good Governance</td>
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<td>HDI</td>
<td>Human Development Index</td>
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<td>Acronym</td>
<td>Full Form</td>
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<td>ICPC</td>
<td>Independent Anti-Corruption Agency</td>
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<td>International Cooperation Review Group</td>
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<td>Illicit Financial Flows</td>
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<td>Non-Bank Financial Institutions</td>
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<td>IIAG</td>
<td>Mo Ibrahim Index on African Governance</td>
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<td>INTERPOL-OPC</td>
<td>International Criminal Police Organization - Interpol</td>
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<td>IO</td>
<td>Immediate Outcome</td>
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<td>IPSAS</td>
<td>International Public Sector Accounting Standards</td>
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<td>ISIL-WA</td>
<td>Islamic State of West Africa</td>
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<td>KYC</td>
<td>Know Your Customer</td>
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<td>LIC</td>
<td>Lagos Information Centre</td>
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<td>M &amp; E</td>
<td>Monitoring and Evaluation</td>
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<td>ME</td>
<td>Mutual Evaluation</td>
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<td>MENAFATF</td>
<td>Middle East and North Africa Financial Action Task Force</td>
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<td>MEQ</td>
<td>Mutual Evaluation Questionnaire</td>
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<td>Mutual Evaluation Report</td>
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<td>Mutual Evaluation Technical Committee</td>
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<td>Money Laundering</td>
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<td>NACS</td>
<td>National Anti-Corruption Strategy</td>
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<td>National Insurance Commission</td>
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<td>NEPAD</td>
<td>New Partnership for African Development</td>
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<td>Nigeria Economic Recovery and Growth Plan</td>
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<td>NGO</td>
<td>Non-Governmental Organization</td>
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<td>NIC</td>
<td>National Insurance Commission</td>
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<td>NIIIA</td>
<td>Nigeria Institute of International Affairs</td>
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<td>NILS</td>
<td>National Institute For Legislative and Democratic Studies</td>
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<td>NPO</td>
<td>Non-Profit Organization</td>
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<td>NRA</td>
<td>National Risk Assessment</td>
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<td>OECD</td>
<td>Organization for Economic Co-operation and Development</td>
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<td>ONS</td>
<td>Office of National Security</td>
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<td>PEP</td>
<td>Politically Exposed Person</td>
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<td>PNDES</td>
<td>National Plan for Social and Economic Development</td>
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<tr>
<td>Acronym</td>
<td>Description</td>
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<tr>
<td>PSE</td>
<td>Senegal Development Strategy Framework</td>
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<td>PVE</td>
<td>Prevention of Violent Extremism</td>
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<td>RBA</td>
<td>Risk-Based Approach</td>
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<td>RegTech</td>
<td>Regulatory Technologies</td>
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<td>RE-J-ABA</td>
<td>Network for African Youth against Money Laundering</td>
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<td>RTMG</td>
<td>Risks, Trend and Methods Group</td>
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<td>SAMWA</td>
<td>Strengthening Anti-Money Laundering Capacities in West Africa</td>
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<tr>
<td>SAP ERP</td>
<td>Integrated Management Software</td>
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<td>SCUML</td>
<td>Special Unit for Combating Money Laundering</td>
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<td>SDI</td>
<td>Specialized Deposit Institution</td>
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<td>SEC</td>
<td>Security Exchange Commission</td>
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<td>SNDS</td>
<td>National Strategy for the Development of Statistics</td>
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<td>SSP</td>
<td>Strategic Surveillance Program</td>
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<td>StAR</td>
<td>Stolen Assets Recovery</td>
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<td>STP</td>
<td>Sao-Tomé and Principe</td>
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<td>STR</td>
<td>Suspicious Transaction Report</td>
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<td>TC</td>
<td>Technical Compliance</td>
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<td>Terrorism Financing</td>
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<td>TOCU</td>
<td>Transnational Organized Crime Unit</td>
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<td>ToR</td>
<td>Terms of Reference</td>
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<td>UEMOA</td>
<td>West African Economic and Monetary Union</td>
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<td>UNCAC</td>
<td>United Nations Convention Against Corruption</td>
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<td>UNCTAD</td>
<td>United Nations Conference on Trade and Development</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<tr>
<td>UNODC</td>
<td>United Nations Office for Drugs and Crimes</td>
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<td>UNSC</td>
<td>United Nations Sanctions Committee</td>
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<tr>
<td>UNSC</td>
<td>United Nations Security Council</td>
</tr>
<tr>
<td>UNSCR</td>
<td>United Nations Security Council Resolution</td>
</tr>
<tr>
<td>UTRF</td>
<td>Morocco Financial Intelligence Unit</td>
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<tr>
<td>WAIFEM</td>
<td>West African Institute for Financial and Economic Management</td>
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</table>
i. The year 2018 was pivotal in the life of our institution as it was marked by the advent of new leadership on 1st March, with General Adama COULIBALY, outgoing Director General passing on the mantle of leadership to his successor, Justice Kimelabalou ABA.

ii. Despite substantial progress in promoting the implementation of FATF standards, GIABA is still facing many challenges including: inadequate staff strength at its Secretariat to effectively manage Mutual Evaluation, inability of the GIABA Mutual Evaluation Experts to meet the requirements of the new FATF Evaluation Methodology, especially with regard to assessing effectiveness of member States’ AML/CFT regimes, insufficient number of translators and the weak capacity of member States to absorb the technical assistance provided to them. All these challenges require careful attention in order to develop adequate measures to resolve them so that the Secretariat can fully play its role as an FSRB and reference institution in the fight against money laundering and the terrorism financing (ML/TF) in the region.

iii. The evaluation of the AML/CFT regimes of member States to determine their level of compliance with the FATF standards continued in 2018. The onsite visit for the Mutual Evaluation of Burkina Faso was conducted from 23rd July to 7th August, 2018. Furthermore, the Mutual Evaluation Report (MER) of Senegal, the second country to be evaluated under the second round, was adopted at the GIABA November Plenary held in Banjul, Republic of The Gambia.

iv. On the whole, the outcomes of the implementation of the 2016-2020 Strategic Plan are encouraging, but the midterm evaluation planned for early 2019 will provide an opportunity to capture the achievements recorded so far and proceed as required with any readjustments.

v. As a precursor to the mutual evaluations, in 2018 and with the support of GIABA and other partners, in particular the World Bank, member States have continued to work towards the completion of their national risk assessments
(NRAs) on money laundering and terrorist financing. In total, eight (08) Member States have already completed their NRAs and are now at the level of implementing or developing policies and strategies to mitigate the identified risks, while the remaining 9 countries are at various stages of the exercise.

vi. With regard to typologies and other research studies, the report on two studies have been published. They are the joint exercise with the OECD and other partners on “Illicit Financial Flows: The Economy of Illicit Trade in West Africa”; and the study on “Know Your Customer/ Customer Due Diligence Measures and Financial Inclusion in West Africa” The typologies study on the extractive industry and mining sector in West Africa will be finalized and launched in early 2019 after consultation with the relevant stakeholders.

vii. Two studies were ongoing as at end December 2018 - a typologies study on ML/TF linked to the smuggling of goods in West Africa; and an assessment of beneficial ownership information framework for the purposes of AML/CFT in member States.

viii. With regard to international cooperation, GIABA has continued to strengthen its collaboration with its partners, including the FATF and the Egmont Group, through active participation in events organized by them. GIABA has enhanced its support for Nigeria in its quest to attain FATF membership. Nigeria’s membership will ultimately provide a second slot for African countries in the prestigious institution and the only member in the West African subregion. The membership will give the region a stronger voice in the FATF, which will help to advance the cause of AML/CFT in both the region and the world at large.

ix. At institutional level, the ongoing institutional reform across all ECOWAS institutions, which is aimed at reducing costs, improving service delivery, is progressing as planned and has achieved a milestone with the approval by the Authority of Heads of State and Government on 31st July 2018, of new organizational structures as adopted by the Council of Ministers. With regard to GIABA, it should be noted that the new organogram provides for a pooling of Administrative and Financial services for ECOWAS institutions, agencies and offices located in Dakar. Thus, GIABA, the ECOWAS Gender Development Centre and the yet to be established office of the ECOWAS Permanent Representative in Senegal.

x. Even though 2018 was a mix bag, it can be counted as a success regardless of the odds. GIABA was able to implement over 70% of its planned activities and implemented many unplanned activities based on emerging priorities. We look forward to achieving more in 2019.

Kimelabalou ABA
Director General, GIABA
The 2018 Annual Report, like the earlier reports, is consistent with the GIABA tradition. It presents the summary of the major achievements resulting from the implementation of GIABA’s activities over the twelve (12) calendar months.

The satisfactory results achieved in 2018 are largely attributable to the strengthening of the institutional base and strong commitment and willingness of the GIABA Directorate General to raise awareness of GIABA as a modern and model AML/CFT Institution. These results would not have been possible without the support of members of staff and GIABA’s technical and financial partners. We are very grateful for their tireless efforts and contributions despite the challenging environment we found ourselves in 2018.

The GIABA Secretariat reiterates its deep gratitude to the highest authorities of ECOWAS for their continued support and contribution to the implementation of AML / CFT policies in West Africa and the strengthening of member States’ AML/CFT regimes.

A special thank you to the team that coordinated and delivered this report under the direct supervision of the Director of Research and Planning, Mr. Muazu UMARU. Worthy of note are the contributions of Dr. Jeffrey, Principal Research and Planning Officer and Mr. Idrissa Ouattara, Research Assistant. We wish to acknowledge all those who contributed to the report in one way or the other - chapter drafters, reviewers, translators and communication staff. Thank you all.

GIABA Secretariat
Dakar, Senegal
CHAPTER 1

GENERAL INTRODUCTION

1. GIABA was established in 1999 by a Decision of the ECOWAS Authority of Heads of State and Government, in response to the international community’s call for an alliance against transnational organized crime and its harmful consequences on countries’ economies, peace, security and stability. After six years of its existence, and as a result of diligent hard work and effective stakeholder mobilization, GIABA attained the status of an FATF Style Regional Body (FSRB), in June 2006, and four years later became an Associate Member in June 2010. Since then, GIABA has continued to make progress in the mission entrusted to it by ECOWAS, to consolidate its position within the FATF global network as an AML/CFT champion in the West African region and beyond, in spite of the limited resources.

2. GIABA’s mandate remains critical and relevant today more than ever before. The objectives of GIABA as outlined below, remain at the heart of the emerging issues in global security:

   i. Protect the national economies and the financial and banking systems of signatory states against the proceeds of crime, and combat the financing of terrorism;
   
   ii. Improve measures and intensify efforts to combat the laundering of proceeds of crime; and
   
   iii. Strengthen co-operation amongst its members.

3. Over the past year, the GIABA’s activities consisted of expediting the implementation of the 2016-2020:

   i. Providing technical assistance to Member States to strengthen their AML / CFT regimes;
   
   ii. Strengthening regional and international cooperation;
   
   iii. Pursuing various typologies and other research studies;
   
   iv. Conducting mutual evaluation of member States;
   
   v. Supporting the conduct of National Risk Assessments (NRA) by Member States in preparation for the second round of mutual evaluations, with site visits carried out in two Member States;
   
   vi. Capacity building of regional Assessors and that of the Secretariat through their participation in different training activities.

4. It is hoped that the information provided in this report will allow everyone to make his/her assessment and fully appreciate the constraints that impacted on the overall performance of GIABA during the year under review, as well as the challenges member States are grappling with in the implementation of international AML/CFT standards.
Introduction

5. The implementation of Anti-money Laundering (AML) and Counter Financing of Terrorism (CFT) policies and measures in GIABA member States became increasingly imperative throughout 2018. Against the backdrop of the sluggish economic performance and deadly terrorist resurgence, accelerating effective AML/CFT implementation has become necessary to shore up domestic revenue mobilization, plug revenue leakages by curbing corruption, fraud, tax evasion and money laundering (ML), as well as curtail illicit financial flows and disrupt terrorist financial support systems. Thankfully, the region is experiencing increasing political stability, permitting more predictability in the policy-making environment, which is a sine qua non to sustained AML/CFT implementation.

6. West Africa’s economy improved gradually throughout 2018 as GDP growth was projected to consolidate at the rate of 3.6%, up from the rate of 3.4% in 2017. The region’s leading economies - Nigeria, Ghana, Cote d’Ivoire and Senegal - were projected to buoy the region’s recovery from mid-2017.

7. Apart from Guinea Bissau and Togo, where political crisis raged, as indicated in the GIABA 2017 Annual Report, the region has witnessed greater political stability and predictability than the previous years. In Sierra Leone, the opposition replaced the ruling party in a peaceful election; in Cote d’Ivoire, the government fostered national reconciliation by granting amnesty to former First Lady Simone Gbagbo; while Guinea was able to hold the first local elections since the end of military rule in 2005, without any serious disruption.

8. As reported in the previous year, while the bastions of terrorism in West Africa have been substantially cut back with the decimation of Boko Haram, Al Qaeda and affiliated militants in Nigeria, Niger and Mali, new groups with links to global terrorist networks are emerging and opening new frontiers and widening the scope of terrorism in the region. The later part of 2018 saw the resurgence of Boko Haram attacks in Nigeria and Niger, particularly on military bases, with high casualty figures. Also in Mali, Islamists stepped up daring attacks on military bases at the beginning of the year, killing many soldiers. The resurgence and expansion of terrorism across the region require a regional approach to understanding and cutting the financial life wire of terrorists and terrorism, in concert with global efforts on counter terrorism (CT) and countering the financing of terrorism (CFT).

9. While countering the combined problems of money laundering and terrorist financing (ML/TF) in an integrating community (ECOWAS) requires a regional approach, the specificity or national contexts and national policies for tackling the problems will continue to be very crucial. The remaining part of this chapter, therefore, focuses on the national political and economic contexts in each GIABA Member State, the status of implementation of AML/CFT measures at national level, and the implementation measures to counter the peculiar challenges confronting each country.

BENIN
Political Situation

10. Benin remains a peaceful country that is on the path of democratic consolidation, as demonstrated by the assertiveness of the
Parliament. The quality of overall governance was good in Benin during last year. On the Ibrahim Index of African Governance (IIAG), the country’s score declined only slightly to 58.5% in 2018 from 59% in 2017. In support of this observation, the perception of corruption has also improved. The country scored 40% on the Corruption Perception Index (CPI) of Transparency International. This is an improvement from the score of 39% in 2017 and 36% in 2016. Political stability and good performance on governance should provide a solid basis for the country’s commitment to improved AML/CFT implementation and can be an indication of such by proxy.

**Economic and Financial Situation**

11. On the economic front, the country’s GDP growth has been accelerating, up to 4.0% in 2016 and 5.5% in 2017, and is projected to sustain the momentum to 6.1% in 2018. This performance is driven largely by the implementation of the Government Programme of Action, “Bénin révélé,” which has seen a drastic rise in investment in infrastructure, agriculture, tourism and basic services. Improved performance in agricultural production, electricity production and recovery in neighbouring Nigeria are also key drivers. The promising economic prospects provide the government with the enabling environment to implement social policies, ensure the projected growth is inclusive and combat ML/TF and other related crimes.

**Prevalence of Predicate Crimes**

12. According to the Country Report submitted by Benin for 2018, the prevalent ML/TF predicate crimes were listed as drug trafficking, corruption, tax evasion, fraud, smuggling of goods, theft, counterfeiting, sexual exploitation and piracy. The proceeds generated from these crimes were laundered through real estate transactions, cross-border cash movements, banks, casinos and other gambling activities, DNFBPs and microfinance. According to the 2018 Human Trafficking Report, Benin remains on the Tier 2 Watch List for the third consecutive year.

**AML/CFT Situation**

13. As detailed in Chapter Three of this report, Benin has continued with its efforts to resolve the deficiencies identified in its AML/CFT system. Having resolved many of the deficiencies in its AML/CFT system, Benin has exited the first round of the GIABA Mutual Evaluation and is staging preparations to undergo the second round. Major efforts undertaken during the year include the creation of Commercial Court, the establishment of a National AML/CFT Technical Committee, and strengthening of the human resource capacity of the FIU. As contained in Chapter Three, Benin has provided an update on the extent to which it has resolved the outstanding deficiencies in its AML/CFT regime and its level of preparedness to be evaluated under the second round.

**Technical Assistance**

14. Benin expressed its need for technical assistance in the following areas: training and ICT equipment/logistics for the FIU; and training for law enforcement agencies, supervisory and regulatory authorities, and financial institutions.

**Conclusion**

15. Benin has sustained political commitment to the implementation of AML/CFT measures. The improvement in overall governance, coupled with the promising economic prospects, are incentives for GIABA and its development partners to sustain technical assistance for the improvement of the country’s AML/CFT regime.

**BURKINA FASO**

**Political Situation**

16. The political situation in Burkina Faso remained stable since the post-Campaoré election in 2015. However, the security situation has been precarious since 2017 when the first terrorist attacks by Islamists were launched in Ouagadougou, the country’s capital city. Since then, the country has been frequently targeted and is gradually becoming a foothold for terrorist activities. In March
2018, terrorists targeted the French embassy in Ouagadougou and killed dozens of people, renewing the need for greater vigilance and tracking of the flow of illicit finance, including the funding of terrorist activities.

17. Burkina Faso’s performance on overall governance improved in the year. The country moved from the 21st position in 2017 to 16th on the IIAG. On the Transparency International’s CPI, Burkina Faso’s score dropped from 42%, for the first time in four years, to 41%. Correspondingly, its position dropped from 74th in the previous year to 78th. The declining figures are indicative of growing vulnerability to corruption as well as other financial crimes, which are likely to weaken the country’s AML/CFT system.

Economic and Financial Situation

18. The impressive growth of the Burkina Faso’s economy is projected to continue and consolidate at 6.6% in 2018. This leap is driven by the burgeoning mining sector and major capital investments in construction, energy, agriculture, and telecommunications under the 2016-2020 National Economic and Social Development Plan (PNDES). Equally important is the sustained improvement in the international prices of gold and cotton (the country’s major exports) since 2016. Inflation is projected to remain below 2% throughout the year and beyond, which is well within the 3% limit set by the West African Economic and Monetary Union (UEMOA). It is important to improve governance in order to make the rapid growth projection more inclusive, and combat inequality and social exclusion as necessary conditions for defeating the rising menace of radicalization, terrorism and financial crimes in the country.

Prevalence of Predicate Crimes

19. Burkina Faso’s long inadequately policed borders make the country highly vulnerable to a number of organized cross-border crimes, including terrorism, as has been the case in the last three years. The Country Report submitted to GIABA for 2018 shows that many of the predicate crimes for money laundering are prevalent in the country. They include drug trafficking, corruption, tax evasion, fraud, smuggling of goods, theft, trafficking in persons, piracy, counterfeiting and goods smuggling. Burkina Faso remained among countries in the Tier 2 category of the U.S. State Department Human Trafficking Report for 2018. According to the report, the country is a source, transit, and destination for women and children subjected to forced labor and sex trafficking. The proceeds generated from these crimes are laundered through real estate transactions, cross-border cash movements, banks, DNFBPs and microfinance, as reported to GIABA by the country in 2018.

AML/CFT Situation

20. Burkina Faso continued to make progress in resolving the deficiencies in its AML/CFT system in 2018. The country exited the GIABA follow-up process in 2016 and the onsite visit for the Second Round of Mutual Evaluation was conducted in 2018. As a prerequisite for undergoing the mutual evaluation exercise, the country conducted its National ML/TF Risk Assessment (NRA) early in the year, with the support of GIABA and the World Bank. The report of the second round of mutual evaluation will be presented to the GIABA Plenary in 2019 for consideration and adoption.

Technical Assistance

21. The priority areas of technical assistance identified by Burkina Faso for 2018 include training, mentoring and provision of equipment/logistics for the FIU; provision of equipment/logistics for law enforcement agencies; training and equipment/logistics for the judiciary; training for supervisory/regulatory agencies; training for financial institutions; training and sensitization for DNFBPs; and training on international cooperation.

Conclusion

22. Burkina Faso sustained political commitment to the implementation of AML/CFT measures, notably by making efforts to disrupt terrorist financing and other illicit financial flows, in preparation for its mutual evaluation under the second round. The country needs to pay
particular attention to the high-risk areas as revealed by its NRA and resolve the deficiencies identified in its mutual evaluation report. The country also needs to pay greater attention to effective border management, given the growing menace of terrorism it now faces.

**CABO VERDE**

Political Situation

23. As reported in the previous years, Cabo Verde remains a beacon of good governance, liberal democracy, political stability, economic growth, and human development in West Africa. 2018 witnessed the normal functioning of government, as has been the tradition. Cabo Verde improved its position from 4th in the previous year to 3rd in overall governance in Africa on the IIAG for 2018, thus consolidating its position as the best governed country in West Africa. On the perception of corruption, Cape Verde improved its score from 55% as the previous year, gaining 2 points to return to its 2015 score of 57%. Consequently, the country’s position improved from 48th in the previous year to 45th.

24. The strong performance on overall governance is encouraging, which provides a favourable context for the implementation of AML/CFT measure of acceptable international standard. Cabo Verde has the best development indicators in the region, and continues to occupy its leadership position in West Africa on the UNDP’s medium human development index (HDI).

Economic and Financial Situation

25. Cabo Verde’s post-recession economy has continued on the path of gradual recovery and is projected to grow from 4.0% in 2017 to 4.1% in 2018. This performance is largely driven by sustained recovery in the tourism sector and the increased revenues from tourism-related investments. Inflation has steadily picked up from a projected 1.1%, indicating a rise in domestic demand. Cabo Verde would need to implement further reforms to fast-track economic growth.

Prevalence of Predicate Crimes

26. In its 2018 Country Report to GIABA, Cabo Verde reported the prevalent predicate crimes for ML/TF as follows: drug trafficking, corruption, and tax fraud. Previous reports have consistently showed that it is an important transit country for illicit drugs from South America headed for Europe. Cabo Verde has also been classified among countries in the Tier 2 category of the US State Department Trafficking in Persons Report. The common channels for laundering the proceeds of such crimes, as reported by the country, include cross-border cash movements, real estate transactions, banks, and DNFBPs.

AML/CFT Situation

27. Cabo Verde has made significant progress in strengthening its AML/CFT system, particularly in the areas of national coordination, supervision of financial institutions and DNFBPs and prosecution. The details of the country’s performance are elaborated in Chapter 3. The country exited the First Round of Mutual evaluation and the Expedited Regular Follow-Up process, and subjected itself to the Second Round of Mutual Evaluation at the end of 2017. Cabo Verde needs to sustain efforts at resolving the deficiencies identified in its AML/CFT regime, as contained in the Mutual Evaluation Report.

Technical Assistance

28. To deal with the deficiencies identified in its AML/CFT system, the country needs the continued support of GIABA and development partners. In its Country Report for 2018, Cabo Verde identified training for the FIU as its technical assistance need.

Conclusion

29. The overall governance environment in Cabo Verde is encouraging and favourable to robust implementation of AML/CFT measures in the country. However, the government faces an arduous task of reflating the economy and accelerating growth, and this should be seen as a priority for which effective AML/CFT implementation is highly relevant. This context, combined with the existing political
commitment to AML/CFT implementation, needs to be utilized by GIABA and its development partners to encourage the country to strengthen its AML/CFT system.

30. Although Comoros is not located within the GIABA region, it was admitted as a GIABA member State in 2012. The election of 2016 has helped to strengthen the steady transition of the Comoros islands to a stable democracy, devoid of its post-colonial history of incessant coups d’état, fractious internal conflicts, and external interference. Similarly, the country has improved on its performance on governance. On the Mo Ibrahim Index of African Governance, Comoros gained 3.9 points from the previous year to move to the score of 47.5% in 2018. On the Transparency International’s CPI, The Comoros occupied the 144th position with a score of 27%. The country needs to further improve on governance, fight corruption and strengthen its fight against financial crimes, including ML/TF.

31. The fragile economy of The Comoros continued on the path of recovery since 2016 when the GDP grew at estimated 2.8%. In 2017, growth reached to estimated 3.4% and is projected to rise to 3.7% in 2018. This positive outlook was driven mainly by the expansion in social and infrastructural investment. In addition, the inflationary rate remained stable within 3%, indicating sound monetary policy management.

32. In its Country Report to GIABA, Comoros reported the prevalence of corruption, drug trafficking, counterfeiting, piracy, theft, trafficking in persons and sexual exploitation in the country in 2018. The US State Department Trafficking in Person report for 2018 retained The Comoros as a Tier 3 country, having made no significant progress to eliminate human trafficking.

33. The most frequently used channels/methods for laundering the proceeds of crime identified by the country are cross-border cash movements, banking transactions, insurance companies and microfinance.

34. The Comoros has made some progress to strengthen its AML/CFT regime since the country was evaluated. The country established a national AML/CFT Committee in 2018 by Presidential Decree. However, the Comoros has not made any significant progress in resolving the outstanding strategic deficiencies in its AML/CFT system. The details of the progress made and the outstanding deficiencies are presented in Chapter 3. The country is yet to adopt a national AML/CFT strategy, although the national risk assessment to be launched shortly is expected to lead to the adoption of this strategy.

35. In its Country Report for 2018, The Comoros expressed the following as its technical needs for the year: training and ICT equipment/logistics for the FIU.

CÔTE D’IVOIRE

37. Côte d’Ivoire has further strengthened its post-civil war political stability with the granting of amnesty to the former First Lady, Simone Gbagbo, in 2018. This gesture has
since helped to foster post-conflict national reconciliation ahead of the next General Elections in 2020. However, the security situation is still precarious in the wake of several army mutinies.

38. The country needs to be more vigilant in order to avoid not only a relapse to violence and instability, but also terrorist splinter groups that may be hibernating in the country since the attack on the Grand Bassam beach resort, near Abidjan, in 2016.

39. The quality of governance declined slightly. The country posted a score of 54.4% in 2018 on the IIAG, dropping to the 22nd position in Africa from 20th in 2017. Correspondingly, the country’s score on Transparency International’s CPI fell from 36% in the previous year to 35%, revealing signs of consistent improvements since 2013. This decline needs to be resolved in order to strengthen the enabling environment for the effective implementation of AML/CFT measures.

Prevalence of Predicate Crimes

42. Nearly all the dominant predicate crimes to ML/TF in West Africa were manifest in Côte d’Ivoire in 2018. In its Country Report for the year submitted to GIABA, the country indicated the prevalent ML/TF predicate crimes as including drug trafficking, corruption, fraud, tax fraud, goods smuggling, human trafficking, theft, counterfeiting, piracy and other crimes. The US State Department Human Trafficking Report identified Côte d’Ivoire as a Tier 2 Country.

43. In the Country Report, the country identified the most frequently used channels/methods for laundering the proceeds of crimes as real estate transactions, cross-border cash movements, banks, stock exchange, insurance companies, microfinance, casinos and DNFBPs.

Economic and Financial Situation

40. The gradual stabilization of the political system has also been accompanied by rapid and sustained economic growth. The robust recovery and expansion of the economy, which began in 2012, has seen real GDP growth at projected rates of 8.0%, 7.9% and 7.8% in 2017, 2018, and 2019, respectively. This strong performance is attributable to booming agriculture, good performance of the energy sector and higher domestic consumption. Inflation, which picked up steadily from 0.7% in 2016, is projected to remain moderate at 1.8% in 2018.

41. The economic expansion has strengthened the country’s position as one of the fastest growing economies in West Africa and promises a conducive context for surmounting the growing menace of organized crime, including ML/TF and their predicate crimes, if complemented with improvement in governance.

44. Côte d’Ivoire has sustained the implementation of AML/CFT measures and made significant strides in resolving the outstanding deficiencies in its regime. The specific measures adopted by the country in 2018 are laid out in Chapter 3. However, in spite of the efforts, there are still outstanding deficiencies in the country’s AML/CFT regime, relating to the criminalization of terrorist financing, adoption of due diligence manuals for reporting entities, supervision of nonbank financial institutions and DNFBPs, as well as money laundering convictions, among others.

45. The details of these deficiencies are captured in Chapter 3 of this report. The country is currently placed on the Expedited Regular Follow-up process, and it is hoped that it will take urgent steps to resolve those strategic deficiencies.

Technical Assistance

46. The priority technical assistance needs expressed by the country in 2018 include training, mentoring and provision of ICT equipment/logistics for the FIU; and training for the judiciary.
Conclusion

47. Côte d'Ivoire has continued to make efforts to strengthen its AML/CFT regime in the wider context of stabilizing political system, implementing governance reforms, and strong and sustained economic growth. However, the country faces the threat of terrorism and a number of ML predicate crimes, and has slowed down on overall governance performance. The favorable political and economic climate, therefore, needs to be utilized to strengthen governance and resolve the outstanding strategic deficiencies in the country’s AML/CFT regime.

The GAMBIA
Political Situation

48. The Gambia has remained a stable multi-party democracy since the troubled transition from the 22-year autocracy of its former President, Yahya Jammeh, in early 2017. The Gambia has stabilized since the crisis and the new Government of President Amadou Barrow has sustained implementation of measures to address the country’s many challenges and foster national reconciliation.

49. Given the governance challenges inherited from the past decades, The Gambia has made impressive progress since the transition, having moved up to the 33rd position in overall governance from 35th in Africa during 2017 and to 21st in 2018. The country’s score of perceived corruption has gone up steadily from 26% in 2016 to 30% in 2017 and 37% in 2018. Consequently the country improved to the 93rd position from 130th in 2017 and 145th in 2016, on the Transparency International’s index.

Economic and Financial Situation

50. The recovery of The Gambia’s economy since 2017 continued into 2018. GDP growth rebounded from 2.2% in 2016 to 5.1% in 2017 and is projected to stabilize at 4.0% in 2018, owing to improved performance in agriculture and services. Inflation remains high, but is projected to contract from 7.7% to 6.9% in 2018.

51. The Gambia is still confronted with the challenge of accelerating growth and ensuring that the growth is inclusive in order to considerably enhance the leaving conditions of the citizens.

52. The country has consistently ranked low in the UNDP Human Development Index, making the population vulnerable to the allure of organized crime and other ML/TF predicate crimes. The country’s emigration rate of its educated population was high during the dictatorship era and it is hoped that this will now be reversed in order to support the country’s development.

Prevalence of Predicate Crimes

53. In the Country Report submitted to GIABA for 2018, drug trafficking and corruption were the most prevalent ML predicate offences identified. The Gambia is also a source and destination for women and children subjected to forced labor and sex trafficking. The tourism industry contributes significantly to the economy but also attracts migrants, sometimes associated with human trafficking. However, the country has made progress in combating human trafficking and was upgraded from Tier 3 to Tier 2 Watch List of the U.S. State Department Human Trafficking.

AML/CFT Situation

54. The Gambia made commendable progress in strengthening its AML/CFT regime in 2018, as detailed in Chapter 3. The progress recorded by the country was in the areas of supervision of financial institutions, national coordination and collaboration, international cooperation, ML prosecution, capacity building for the FIU effectiveness and training for stakeholder institutions.

55. However, in spite of the progress made, there are still outstanding deficiencies in the country’s AML/CFT regime. Some of the gaps include the non-supervisions of DNFBPs, low capacity of law enforcement agencies for ML/TF investigation, and non-passage of some critical outstanding draft Bills into law. The country is currently on the Expedited Regular Follow-Up process and reports to GIABA
annually on the progress made towards resolving its AML/CFT deficiencies. The country is at an advanced stage on its NRA and is due to finalize the report by early 2019.

Technical Assistance

56. In 2018, The Gambia expressed its technical assistance needs as contained in its Country Report as: training for the FIU; training for law enforcement agencies; training for DNFBPs; training for civil society organization and the media; and training for regulatory and supervisory agencies.

Conclusion

57. While The Gambia made some progress in strengthening its AML/CFT regime in 2018, the outstanding deficiencies need to be resolved in order to bring the country’s AML/CFT regime into full compliance with international standards. The improved political, economic and governance indicators provide a favourable context for robust AML/CFT implementation.

GHANA

Political Situation

58. Ghana maintained its reputation as a model of democratic consolidation in the region through 2018. Similarly, Ghana had always measured high on governance, by regional standards, and 2018 saw the rebound from the decline of the previous three years. According to the Mo Ibrahim Index of African Governance, Ghana moved up sharply from the 14th position in the previous year in overall governance in Africa to the 6th in 2018. The country’s 2017 score on the Transparency International’s CPI improved slightly to 41% from 40% in 2017. The country now ranks 78th globally, and improved by 2 points from the 80th position in the previous year.

Economic and Financial Situation

59. The recovery of Ghana’s economy since 2017 has been sustained into 2018. The GDP growth gathered pace from 3.3% in 2016 to 6.3% in 2017 and is projected to accelerate to 8.5% in 2018. The country’s hyperinflation of 19.2% in 2016, which was largely fueled by a weakening currency, has been on a downward trend steadily, reaching 12.2% in 2017, and is projected to drop further in the year. The economy is projected to recover due to increased production of oil and gas, improved commodity prices and good performance of the non-oil sector.

Prevalence of Predicate Crimes

60. In 2018, nearly all the main money laundering predicate crimes were reported by the country as prevalent - drug trafficking, corruption, counterfeiting, tax fraud/evasion, smuggling of goods, human trafficking and theft. The proceeds of these crimes are laundered in various forms in Ghana. The methods mostly used are real estate transactions, cross-border cash movement, banks, DNFBPs, and microfinance. In addition, Ghana is still on the Tier 2 Watch List of the U.S. State Department Human Trafficking Report, but has made significant efforts to eliminate human trafficking in 2018.

AML/CFT Situation

61. Ghana ranks among the top performing GIABA member States with regard to the implementation of AML/CFT measures of acceptable international standards. The country was evaluated in 2017, the first under the GIABA 2nd round of mutual evaluations. Being the first member State to be evaluated in the 2nd round, Ghana has demonstrated leadership and is a demonstration of the relative strength of its AML/CFT regime as well as the political commitment of the country’s leaders.

62. Following the evaluation, Ghana was placed under the enhanced follow-up process. The outcome of the evaluation, including the details of the specific actions undertaken by Ghana to reinforce its AML/CFT system as well as the remaining deficiencies to be resolved are discussed in Chapter 3.

Technical Assistance

63. Ghana has continued to receive support from GIABA and its partners to further strengthen
its AML/CFT regime. Specific technical assistance needs expressed by the country in 2018 include training and research/typologies capacity building for the FIU; and training for supervisory and regulatory agencies, law enforcement agencies, the judiciary, financial institutions and DNFBPs.

Conclusion

64. Ghana’s political stability has significantly contributed to the continuous improvement of its AML/CFT system, reinforced by improvement in performance on overall governance. Also, the projected economic recovery is expected to provide the country with more resources to implement AML/CFT measures in order to comprehensively resolve the deficiencies identified in its regime in the 2nd Mutual Evaluation Report.

GUINEA
Political Situation

65. Since the presidential election of October 2015, Guinea’s political system has considerably stabilized. The country peacefully held local elections for the first time since the end of military rule, marking the increasing maturity of the political system in a country with a history of turbulent political succession. The country’s steady political development is expected to help in strengthening the governance institutions and support continuous improvement in AML/CFT implementation.

66. The positive trend in overall governance in Guinea, as reported in 2017, continued through 2018 as revealed by its ranking on the IIAG for the year. The country moved up from the 41st position in Africa in 2016, with the score of 43.3%, to the 39th position in 2017, with a score of 45.5%, and to the 37th position with a score of 45.9%. In the same vein, Guinea improved marginally on the perception of corruption, jumping in position from 148th in the world in 2017 to 138th in 2018. These figures show that while governance remains a major challenge in the country, the situation is improving gradually.

Economic and Financial Situation

67. Since 2016, Guinea has steadily consolidated its economic recovery from the devastating toll of the Ebola Virus Disease (EVD). The GDP accelerated at 6.4% in 2017 from 4.6% in 2016, and is projected to grow at 6.2% in 2018. This recovery is driven by the strong post-Ebola performance of the mining, agriculture and energy sectors. However, the rate of inflation still remains high, standing at estimated 8.1% in 2016 and projected at 8.4% in 2017 and 2018. The government remains committed to the post-Ebola reforms and the economy is expected to remain on the path of steady recovery. Efforts must be doubled to unlock the potentials of the economy and propel inclusive growth.

Prevalence of Predicate Crimes

68. The prevalent predicate crimes reported by Guinea in 2018 are: drug trafficking, corruption, counterfeiting, tax fraud/evasion, theft, human trafficking, goods smuggling, sexual exploitation and piracy. Guinea is making significant efforts to tackle human trafficking and the country has improved in ranking from Tier 3 to Tier 2 US State Department Watch List for trafficking in persons in 2018. The known channels for laundering the proceeds of these crimes include investment in real estate transactions, cross-border transportation of cash and bearer instruments, banks, insurance, DNFBPs and microfinance.

AML/CFT Situation

69. Guinea sustained its progress in strengthening its AML/CFT regime and enhancing its compliance with international standards. The details of the country’s progress are contained in Chapter 3. The major achievements have been in the areas of anti-corruption, drug seizures, prosecution for money laundering, capacity building for the FIU, international cooperation and asset freezing. In spite of the progress, there are still outstanding deficiencies in Guinea’s AML/CFT system and the country is currently placed on the Expedited Regular Follow-up process.

2 See the US State Department 2018 Human Trafficking Report, p. 205
Technical Assistance

70. The technical assistance needs expressed by Guinea in 2018 are: training, and ICT equipment for the FIU; training for the DNFBPs; training and sensitization for civil society and the media.

Conclusion

71. Guinea’s post-Ebola economic recovery and the stable political environment are impressive. The economic growth needs to be sustained in order to consolidate the positive outlook. This will strengthen the country’s efforts to improve its AML/CFT regime with a view to enhancing its compliance with international standards.

GUINEA-BISSAU

Political Situation

72. Sustained political engagement of ECOWAS authorities in Guinea-Bissau has considerably quieted the political crisis of the previous years. ECOWAS has continued to midwife democracy and political stability in the country in 2018. Following the failure of Guinea Bissau to implement the Conakry Agreement, including the appointment of a consensus Prime Minister and formation of an inclusive government, ECOWAS imposed collective and individual sanctions on the country in February 2018. While legislative elections were postponed from November 2018 to March 2019, ECOWAS has continued to monitor the situation until all the provisions of the Conakry Agreement are fully implemented.

73. Overall governance in Guinea-Bissau has improved steadily over the last few years as the political system moves towards stabilization.

74. The country moved up to the 42nd position in Africa in 2018 from 43rd in 2017, 44th in 2016 and 45th in 2015. With regard to corruption perception, the country’s performance remains very poor, falling back to the 2016 score of 16% from 17% in 2017.

75. Guinea-Bissau needs to crack down on corruption and move up far above the position of 172nd in the world in order to strengthen governance and effectively confront the scourge of financial crimes, including ML/TF.

Economic and Financial Situation

76. Guinea-Bissau's economic revival since 2015, when donor support was restored, slowed down from 2017. The GDP, which grew at 5.8% in 2016, slowed to an estimated 5.5% in 2017 and is projected to grow at 5.2% in 2018. Sharply increased revenues from cashew export and impressive food crops harvest have been the main factors for the economic performance. Lingering political crisis has stalled growth potentials of the economy, which should have fared better. Inflation, was subdued at an estimated 2.3% in 2017, still within the 3% UEMOA threshold. Guinea-Bissau has some of the lowest Human Development Indices, and has continued to rank among countries in the Lowest Human Development band. The country is grappling with the challenge of driving accelerated and more inclusive growth in order to reduce the social pressure and crime potentials.

Prevalence of Predicate Crimes

77. The main ML predicate crimes reported by the country in 2018 include drug trafficking, corruption, tax fraud/evasion, human trafficking, theft and piracy. As reported in the past years, the country has been used as a transit route for Europe-bound cocaine coming from Latin America. In addition, Guinea-Bissau is reported as a source country for children subjected to forced labor and sex trafficking. Having made significant efforts towards curbing human trafficking, Guinea Bissau was upgraded from the Tier 3 category to Tier 2 as contained in the US State Department 2018 Human Trafficking Report.

78. The methods and vehicles used for laundering the proceeds of crimes, as reported by the country, are cross-border transportation of cash and bearer instruments, real estate transactions, banking transactions, microfinance and DNFBPs.
AML/CFT Situation

79. The pace of Guinea-Bissau’s progress in resolving the strategic deficiencies identified in its AML/CFT regime has been slow. The strategic deficiencies are laid out in Chapter 3 of this report. Consequently, GIABA maintained Guinea Bissau on the Enhanced Follow-Up process and retained the Public Statement on the country in 2018 until those outstanding strategic deficiencies are substantially resolved.

Technical Assistance

80. GIABA and development partners have renewed their commitment to support the efforts of the government in strengthening the country’s AML/CFT regime. GIABA will continue to work closely with the country to implement the Action Plan developed to resolve its strategic deficiencies.

81. The technical assistance needed, as reported by the country in 2018 are: training, mentoring, provision of equipment/logistics and building the strategic analysis capacity of the FIU; and training for supervisory and regulatory institutions.

Conclusion

82. The lingering political crisis in Guinea-Bissau has remained a clog in the wheel of the country’s development, and weakens the growth potential of the economy. The authorities of Guinea-Bissau should urgently resolve the political crisis, and demonstrate greater and high-level political commitment to resolving the outstanding strategic deficiencies in the country’s AML/CFT regime.

Liberia

Political Situation

83. With the successful election of President George Weah in late 2017, marking the first democratic transfer of power in decades, Liberia has managed to strengthen its post-war recovery, national reconciliation and political stability. The new government has been faced with huge expectations from Liberians to strengthen public institutions, combat corruption and considerably improve governance. Expectedly, overall governance in Liberia improved in 2018, as country the moved up from the 28th position in Africa in 2017 to 23rd in 2018. On the corruption perception index, Liberia’s performance improved in 2018, rising from the 122nd position in the world in 2017 to 120th in 2018. Similarly, the country’s score rose marginally from 31% to 32% within the same period. The country may need to do more to strengthen governance in order to match the pace of political stabilization and democratic consolidation.

Economic and Financial Situation

84. Liberia’s economy continued on the path of slow recovery from the Ebola-induced stagnation of the past few years. The economy is projected to pick up with a projected GDP growth of 3.9% in 2018 and 5% in 2019. This projection is supported by expected increase in gold and iron ore production and return of investment. In addition, the Ebola-induced inflation, which rose sharply to 12.5% in 2016, has been on the decline. The new government committed itself to the introduction of policies that would stimulate rapid and inclusive growth, given the enormous challenges it is facing and the need to resolve social exclusion, particularly for the youth.

Prevalence of Predicate Crimes

85. The most prevalent ML/TF predicate crimes as reported by Liberia in 2018 are drug trafficking, corruption, counterfeiting, and tax fraud/evasion.

86. This has been consistent with the country’s reporting in the previous years. According to the 2018 Human Trafficking Report, Liberia is a Tier 2 country and has been making significant efforts to counter human trafficking. These predicate crimes generate substantial amount of illicit proceeds that are being laundered through cross-border movement of cash and bearer instruments, through banks, DNFBPs and casinos/gaming houses.
AML/CFT Situation

87. Liberia made progress in 2018 in resolving the outstanding deficiencies in its AML/CFT regime. Some of the significant measures adopted by the country are in the areas of AML/CFT legislation, supervision of financial institutions, national risk assessment and stakeholder sensitization. These measures enabled Liberia to resolve the identified strategic deficiencies in its AML/CFT regime. However, in spite of this progress, the country’s AML/CFT system still faces many challenges, which require urgent attention. Chapter Three of this report provides the details of the measures implemented by Liberia during the year and the outstanding deficiencies in the country’s AML/CFT system.

Technical Assistance

88. The needs expressed by Liberia in 2018 consist mainly in strengthening the FIU through training and mentoring; training and awareness-raising for law enforcement agencies; training and mentoring for supervisory/regulatory agencies; and training and mentoring for DNFBPs.

Conclusion

89. The year 2018 began with a new government, following the presidential election held in December 2017, giving Liberia a new opportunity to strengthen AML/CFT implementation as a policy priority. Such a focus would ensure that the country builds a solid foundation for the much needed economic recovery. To this effect, GIABA and development partners would need to sustain engagement with Liberia to ensure that the country is fully committed to fulfilling its international AML/CFT obligations.

Mali

Political Situation

90. The political process in Mali has continued to stabilize with the implementation of the postconflict 2015 peace deal. Presidential elections were held peacefully in the course of the year, while legislative elections slated for November/December were postponed to 2019. However, the security situation remains fragile with jihadist militants sustaining deadly attacks on military and civilian targets in 2018. In January, terrorists attacked a military base, killing 16 soldiers. Other attacks resulted in higher number of civilian casualties. The government continues to face the daunting challenge of countering radicalization, organized crime and other illicit financial flows, which form part of the precipitators of terrorism in the country.

91. Mali’s performance on overall governance declined slightly from 51.9% in 2017 to 50.1% in 2018. However, the country’s score on Transparency International’s CPI improved slightly to 32% from 31% in the previous year. The country maintained its 2017 position of 122nd, representing a decline from 116th in 2016.

Economic and Financial Situation

92. Mali’s economic recovery since 2013 started to slow down in 2016, though the outlook remains positive. While GDP grew at 6.5% in 2014 and 2015, growth slowed to estimated 5.5% in 2016, 5.3% in 2017, and is projected to consolidate at 5.0% in 2018. Inflation was estimated to rise from 1.8% in 2016 to 2.0% in 2017, which is well within the UEMOA ceiling.

93. The prices of Mali’s main exports, cotton and gold, are highly volatile in the international market while the security situation remains fragile. These factors pose a constant threat to macroeconomic stability and human development in the country. The challenge is to ensure that the positive outlook of the economy is sustained and made more inclusive in order to cut down the high incidence of poverty and the population’s vulnerability to ML/TF and associated predicate crimes.

Prevalence of Predicate Crimes

94. All the major crimes predicate to ML/TF in the region were reported as prevalent in Mali as contained in the country’s report in 2018. They include drug trafficking, corruption, tax fraud/evasion, goods smuggling, human trafficking,
theft, counterfeiting, sexual exploitation and piracy. Mali was upgraded from Tier 3 to Tier 2 Watch List of the 2018 Human Trafficking report.

95. As reported in previous reports the difficulty in policing the large swathe of desert space in northern Mali, where terrorist groups continue to hold sway, heightens the prevalence of organized crime and raises serious concerns about the high ML/TF risks facing the country. The country report lists the following channels for laundering the proceeds of these crimes: real estate transactions, cross-border transportation of cash and bearer instruments, banking transactions, insurance companies, DNFBPs, and microfinance.

AML/CFT Situation

96. In spite of the country’s security predicaments, in 2018, Mali sustained its efforts at resolving the deficiencies identified in its AML/CFT regime. The significant measures adopted by Mali in the year, as well as the outstanding deficiencies in the country’s AML/CFT regime are captured in Chapter 3. Mali exited the follow-up process as the country is scheduled to undergo the second round of Mutual Evaluations, commencing with the on-site visit scheduled to take place early in 2019. The country needs to urgently resolve the outstanding deficiencies in its AML/CFT regime in preparation for the evaluation in order to improve its chances of having a good outcome.

Technical Assistance

97. In 2018, Mali requested for assistance in the areas of training and capacity building for the FIU in the conduct of research/typologies studies.

Conclusion

98. Although Mali has demonstrated commitment to the implementation of AML/CFT measures in 2018, the enduring presence of terrorist organizations, their operations in the country and the linkages with transnational organized crime call for extreme vigilance on the part of the authorities. The country needs the continued support of GIABA and its development partners towards combating the financing of terrorism and other organized crimes.

NIGER

Political Situation

99. The controversies surrounding Niger’s presidential election of 2016, which was boycotted by the opposition, have died down and the country remained politically stable in 2018. However, the security situation was threatened by persistent terrorist attacks throughout the year. Apart from Al Qaeda-affiliated terrorist groups, which have operated across the border from Mali over the years, the Boko Haram terrorist group operates from neighbouring northern Nigeria and shelter in southern Niger bordering southern Chad converging around Lake Chad. In March 2015, Boko Haram pledged allegiance to the Islamic State of Iraq and Syria (ISIS) and was the recognized as an affiliate of ISIS in West Africa– ISIS-WA. A split in Boko Haram saw ISISWA operating independently largely in the Lake Chad area. The emergence of ISIL-WA has further compounded the security challenges of Niger.

Economic and Financial Situation

100. Niger’s economic recovery since 2016 has been sustained throughout 2018. Growth was projected to rise from 5.2% in 2017 to 5.8% in 2018, thanks to good harvest, increased oil production and infrastructural investment. Inflation was subdued at an estimated figure of 1.8% in 2017, while the implementation of the 3Ns (Nigeriens Nourish Nigeriens) initiative is expected to continue to strengthen agricultural output. This positive outlook is forecasted notwithstanding the long drawn out and costly counter-terrorism operations in the south of the country. However, continued military spending is likely to exert a high toll on the country’s budget, while the price of primary commodities remain highly vulnerable to shocks. As reported in 2016, social spending in remote areas is still needed as a counter-measure against radicalization and extremism.
Prevalence of Predicate Crimes


102. In January Italy deployed up to 470 troops in Niger to support the combatting of illegal migration and people trafficking to Europe.

103. The channels that criminals use to launder the proceeds derived from crimes in Niger include real estate, cross-border transportation of cash and bearer instruments, banks, microfinance and DNFBPs, including casinos/gambling.

AML/CFT Situation

104. Niger made appreciable progress in 2018 towards reinforcing its AML/CFT regime and resolving the strategic deficiencies in its AML/CFT regime. The notable efforts include the enactment of relevant legislations, prosecution and conviction, seizures and confiscations, sanctions, and inter-agency and international cooperation.

105. However, outstanding deficiencies in Niger’s AML/CFT regime still persist, as discussed in Chapter 3. Niger exited from the follow-up process to allow the country to prepare for its on-site visit under the second round mutual evaluation scheduled for January 2020.

Technical Assistance

106. In its Country Report to GIABA for 2018, Niger identified its technical assistance needs as training for the FIU. GIABA will continue to work with technical and financial partners to strengthen the country’s AML/CFT regime.

Conclusion

107. Niger’s political stability and economic recovery are vital enablers for reinforcing the country’s AML/CFT system. The country’s political commitment to the implementation of AML/CFT measures is reassuring and needs to be harnessed by international partners to support national efforts. Niger’s long, poorly manned borders and the presence of various terrorist groups within and in neighboring countries, make the country highly vulnerable to a host of organized criminal activities, including TF and other predicate crimes to ML/TF. GIABA will continue to galvanize the required international assistance from development partners.

NIGERIA

Political Situation

108. Nigeria is due to hold national elections in early 2019, which makes 2018 a pre-election year in Africa’s largest democracy. The mobilization for the 2019 general elections has been peaceful, but boisterous, demonstrating the entrenchment of multi-party politics in the country. However, the security situation has remained dismal through 2018 as the year opened with some of the most complex security dilemmas ever witnessed in the country. The old conflict between herders and farmers erupted with deadly violence across many of the Central States of the country early in the year, threatening to reawaken ethnic, religious and regional tensions and conflict fault lines. In addition, violent banditry raged in the northwest for the most part of the year, complicated by the resurgence of terrorist attacks on military targets in the Northeastern States.

109. While the government has continued to demonstrate firm commitment to good governance in 2018, the country’s governance performance on the IIAG fell slightly to 47.9% in 2018 from 48.1% in the previous year. The country also recorded a number of high-profile money laundering convictions, including the imprisonment of 2 former State Governors. The country also secured a number of non-conviction based forfeiture of large proceeds of corruption during the year. Nigeria maintained the same 2017 CPI score of 27%. The country needs to sustain the momentum in the war against corruption to demonstrate effectiveness in its AML/CFT implementation.
Economic and Financial Situation

110. The gradual recovery of the Nigerian economy from recession continued through the year. GDP picked up from estimated 0.8% in 2017 to projected 2.1% in 2018, driven by higher oil prices and output, as well as vastly improved performance in agriculture.

111. Hyperinflation is still a challenge, which hovered around 16% in 2017, though the figure declined, projected at 13.7% at the end of 2018. Hopefully the government will sustain the implementation of the Nigeria Economic Recovery and Growth Plan (NERGP 2017-2020) and the economy will pick up on a surer, faster and more inclusive path. Such outlook would provide the government the room to sustain its fight against insecurity, corruption, money laundering, terrorist financing and terrorism in general.

Prevalence of Predicate Crimes

112. The Country Report of Nigeria for 2018 showed that most of the prevalent ML/TF predicate crimes in the region are present in the country. They include drug trafficking, corruption, counterfeiting, tax fraud/evasion, human trafficking, and goods smuggling. According to the US Department of State Trafficking in Persons report 2018, Nigeria was maintained in the Tier 2 Watch List in the year, having sustained efforts to tackle human trafficking.

AML/CFT Situation

113. Nigeria sustained the progress of previous years towards strengthening its AML/CFT regime, notably, the coming into force of the Nigeria Financial Intelligence Unit (NFIU) Act on 11 July 2018 and subsequent lifting of the suspension of its membership of the Egmont Group. In addition, the Proceeds of Crime Bill is being considered in Parliament for passage. Other areas of progress include ML and related convictions, supervision of reporting entities and application of sanctions for non-compliance with AML/CFT obligations, and seizure of proceeds of corruption. Chapter 3 discusses the details of the progress made by Nigeria during the year and the outstanding deficiencies in its AML/CFT regime.

114. The country exited the follow-up process in preparation for the 2nd round of mutual evaluations. Nigeria is also seeking the membership of the Financial Action Task Force (FATF). The country needs to expedite the passage of the pending Proceeds of Crime Bill and the Mutual Legal Assistance Bill. The confirmation of enactment of these laws on or before the end of 2018 will facilitate decision on the date of High-level Mission by the FATF on its membership process during the FATF Plenary in February 2019.

Technical Assistance

115. The technical assistance needs expressed by Nigeria for 2018 is training for the FIU.

Conclusion

116. In spite of Nigeria’s complex security predicaments, the economy is on the recovery path, though slowly, while the counter-terrorism and anti-corruption drives are yielding results.

117. The country needs to resolutely confront the new security threats posed by banditry and the herder/farmer clashes and speed up the restructuring of the economy in order to accelerate growth. The successful implementation of the NERGP will foster human development as a counter-measure against radicalization, extremist violence, insecurity and organized crime.

SÃO TOMÉ AND PRÍNCIPE

Political Situation

118. São Tomé and Príncipe (STP) enjoys a multi-party democracy and has continued to consolidate its political stability since the last presidential election held peacefully in 2016. Although the country is not a Member State of ECOWAS, STP was admitted as a GIABA member State in 2013.

119. In terms of governance, São Tomé and Principe has consistently remained one of the high performers in Africa. However, the country dropped by a point on its 2016 and 2017 position of 11th in Africa on overall governance to 12th. Correspondingly,
the country’s score fell from 61% in 2017 to 59.2% in 2018. On the perception of corruption, however, STP maintained the 64th position, which is the same as the previous year. The country’s sound governance credentials need to be harnessed to confront the challenge of corruption and strengthen AML/CFT implementation.

**Economic and Financial Situation**

120. São Tomé and Príncipe (STP) sustained economic growth in recent years, with the real GDP grew at projected 5.5% from the 2017 estimate of 5.2%. Inflation continued to decline for several years consecutively, from 5.5% in 2016 to 5.1% in 2017 and was projected at 5.0% in 2018. This performance is driven by investment in infrastructure. As reported in the previous years, the country’s cash-based economy, the emergence of oil extraction, and the country’s location on the Gulf of Guinea, where organized crime has been on the rise, all combine to heighten ML/TF risks.

**Prevalence of Predicate Crimes**

121. In its Country Report submitted to GIABA in 2018, São Tomé and Príncipe reported all the prevalent predicate crimes in the region, including drug trafficking, corruption, fraud/tax evasion, goods smuggling, human trafficking, sexual exploitation, theft, counterfeiting and piracy. The proceeds from these crimes are laundered through cross-border cash movements, banks, insurance companies, DNFBPs, and micro-finance.

**AML/CFT Situation**

122. São Tomé and Príncipe (STP) made progress in strengthening its ML/CFT regime in 2018. Notably, the country enacted some vital legislations, which are expected to reinforce existing measures and assist the country to resolve some of its outstanding AML/CFT deficiencies.

123. Other important areas of progress include: ML conviction and assets seizure/freeze; interagency cooperation; stakeholder sensitization and training; international cooperation; and supervision of financial institutions. Chapter 3 contains the details of the progress made by STP during the year and the outstanding deficiencies in the country’s AML/CFT regime. STP was maintained on the Expedited Regular Follow-Up process and is expected to submit its Sixth Follow-up Report to the GIABA Plenary in May 2019.

**Technical Assistance**

124. GIABA has continued to mentor STP in order to support the country to strengthen its fledgling AML/CFT regime, by enhancing the capacity of the country to implement the required AML/CFT measures. To this end, STP identified the following technical assistance needs in 2018: ICT equipment and logistics and training for the FIU and the judiciary.

**Conclusion**

125. As reported over the past years, the location of STP as an island in the Gulf of Guinea makes it particularly vulnerable to a host of criminal activities. The menace of international organized crime, especially smuggling, oil theft and piracy, in the Gulf of Guinea has steadily been on the rise, and the country is encouraged to continue to strengthen good governance and strengthen its commitment to the full implementation of acceptable international AML/CFT standards in order to protect its financial system.

**SENEGAL**

**Political Situation**

126. The reputation of Senegal as a model of democracy and political stability was sustained in 2018. As reported previously, the country maintained its reputation as a regional example of political stability built on multi-party democracy and a culture of peace and tolerance. The once restive region of Casamance in the south remained virtually peaceful four (4) years after the ceasefire in 2014, indicating the consolidation of peace in the region.

127. Senegal maintained the tradition of high performance on governance, compared to other African countries. Its overall governance
score for the year improved to 63.3% from 61.6% in 2017 and 60.8% in 2016, though the country maintained its position of 10th out 54 African countries on the IIAG for the past three years. Senegal has maintained its performance on the perception of corruption. The country’s score remained constant for the third year at 45%, from 44% in 2014, although it declined slightly from the 66th position in 2017 to 67th on the Transparency International’s CPI.

**Economic and Financial Situation**

128. Senegal’s economic growth continued to accelerate in 2018, with the real GDP projected to grow at 7.0% in 2018 from the 2017 estimate of 6.8%. The impressive performance was led by the agricultural, industrial and service sectors. Inflation was projected to stabilize at 1.7% in 2018. The implementation of the major projects in the Plan Sénégal Emergent (PSE), launched in 2014, entered the fourth year in 2018. The PSE is aimed at making Senegal an emerging economy by 2035 and an economic hub for West Africa.

**Prevalence of Predicate Crimes**

129. In 2018, Senegal reported goods smuggling, human trafficking and theft as the prevalent ML/TF predicate crimes in the country. According to the 2018 Human Trafficking report, Senegal remains on the 2 Tier Watch List for the third consecutive year. The proceeds are laundered through real estate transactions, cross-border movement of cash, and DNFBPs. The political, social and economic stability of the country, as against the fragility of its neighbours simply means that the country is under significant pressure not only from criminals but also from irregular migration and economic opportunism.

**AML/CFT Situation**

130. Senegal continued to demonstrate strong commitment to the implementation of robust AML/CFT measures. The country subjected itself to the 2nd Round of Mutual Evaluation in 2017, and the report was discussed and adopted by the GIABA Plenary in 2018. The outcomes of the evaluation are discussed in Chapter 3. The details of the country’s efforts in 2018 and the outstanding deficiencies in its AML/CFT regime are provided in that chapter.

**Technical Assistance**

131. GIABA and its development partners will continue to support the country’s efforts to resolve the deficiencies in its AML/CFT regime. The only technical assistance needs expressed by the country in 2018 is training for FIU. Senegal FIU has continued to provide mentoring to other less developed FIUs in the region, especially for the French speaking countries.

**Conclusion**

132. Senegal’s political stability and rapid economic growth provide a favorable atmosphere for the country to sustain its strong commitment to countering ML/TF by making further progress in resolving the deficiencies identified in its AML/CFT regime. With the completion of the 2nd round of mutual evaluation, Senegal will need to commit resources for the implementation of the recommendations made in the report.

**SIERRA LEONE**

**Political Situation**

133. Sierra Leone organized peaceful general elections and smooth transition of power in 2018. The electoral defeat of the ruling party by the opposition is a testimony of the developments and maturity of the country’s post-conflict political system. The country has continued to improve on governance in 2018. It maintained its 2017 position of 26th out of the 54 African countries on the 2018 IIAG, although its score dropped marginally to 50.9% from 51.7% in the previous year. The country’s score on the Transparency International’s CPI remained unchanged from 2016 at 30%. However, the country’s ranking improved marginally to 129th from 130th in the previous year. This decline shows that corruption is still a crucial challenge, which the new government must confront in order to enhance governance in the country.
Economic and Financial Situation

Sierra Leone’s post-Ebola economic recovery has been rapid. The economy grew in 2017 at an estimated figure of 5.7% and is projected to sustain the momentum to 6.1% in 2018. The performance was driven by the iron ore sector, although the volatility of the international prices of the commodity portends uncertainty about the country’s performance. The government continues to face the uphill task of improving governance and human development in order to address social hardships and at the same time implement counter-measures against the possibility of rising crime rate.

Prevalence of Predicate Crimes

In its Country Report submitted to GIABA in 2018, Sierra Leone identified the following ML/TF predicate crimes as prevalent: corruption, drug trafficking, tax fraud/evasion, goods smuggling, and human trafficking. The country retained its 2017 classification as Tier 2 in the 2018 trafficking in persons report. The methods and vehicles used for laundering the proceeds of these crimes in 2018 include, cross-border cash movement, real estate transactions, banks, microfinance institutions and DNFBPs.

AML/CFT Situation

Sierra Leone continued to make steady progress in strengthening its AML/CFT regime in 2018. In particular, the country issued the Revised Directives and Guidelines for the Prevention of Money Laundering and Terrorist Financing, and conducted training and sensitization on the guidelines for financial institutions.

TOGO

Political Situation

Togo’s political turbulence continued throughout 2018. The protests, which broke out in the previous year across the country against planned amendment of the 1992 constitution, continued through the year. The protesters threatened to continue until wider democratic reforms were secured. Intervention by ECOWAS facilitated talks between the government and the opposition. Elections were postponed, which became a source of tension among political actors in the country. Finally, the holding of these elections on 20th December 2018 helped to alleviate the political tension in the country.

Conclusion

Post-Ebola Sierra Leone has demonstrated political and social stability, and is witnessing accelerated economic recovery. In spite of this positive outlook, more reforms are required to tremendously improve governance and ensure that the rapid economic growth is inclusive. Improved governance is also expected to translate into more effective implementation of AML/CFT measures in the country.

Technical Assistance

In its Country Report to GIABA, Sierra Leone identified the following areas for technical assistance in 2018: training for the FIU and for supervisory and regulatory agencies. The country needs to mobilize the necessary assistance and support to resolve the outstanding deficiencies and bring its AML/CFT regime into compliance with the required international standards.
Togo’s performance on overall governance declined in 2018. With a score of 49.1% on the IIAG in 2018, the country declined from the 26th in 2017 to the 30th position in Africa. Similarly, Togo declined on the perception of corruption, as measured by the Transparency International’s CPI. The country’s score dropped from 32% in 2017 to 30% in 2018, declining rapidly from its global position of 117th in 2017 to 129th in 2018.

Growing corruption hinders effective AML/CFT implementation and, like many other countries in the region, Togo needs to improve its performance on governance and reinforce the enabling environment to fulfill its AML/CFT obligations.

Economic and Financial Situation

Togo’s modest economic growth has remained largely unchanged for four consecutive years. GDP growth stood at estimated 5.3% in 2015 and 5.0% in 2016, slowing down to 4.5% in 2017. Growth is projected to return to 5.0% in 2018, if the agriculture sector continues to perform well and the political protests do not significantly disrupt economic activities.

Prevalence of Predicate Crimes

In its 2018 Country Report to GIABA, Togo reported the following ML/TF predicate crimes as prevalent: drug trafficking, corruption, fraud/tax evasion, smuggling of goods, human trafficking, theft, counterfeiting and piracy. The laundering of the proceeds of these crimes occurs through real estate transactions, cross-border cash transportation and banking transactions.

AML/CFT Situation

In 2018, Togo made progress in resolving the strategic deficiencies identified in its AML/CFT system. The most notable measures adopted in the year include the passage of key legislations, obtaining convictions on various predicate offences, the launch of National Risk Assessment, and the provision of statistics by the FIU on information exchange, fraud and seizure of prohibited products. In view of the progress made, Togo was moved from the Enhanced follow-up process to the Expedited Regular follow-up process. The country needs to resolve the outstanding deficiencies in its AML/CFT regimes prior to exiting the follow-up process in 2019 (refer to Chapter 3 for details).

Technical Assistance

Togo expressed its AML/CFT technical assistance needs for 2018 to include training for the FIU and the judiciary, sensitization, ICT equipment and logistics, training for civil society and the media.

Conclusion

Togo demonstrated stronger commitment to the implementation of AML/CFT measures of acceptable international standards than in previous years. The country needs to sustain the momentum and expeditiously resolve the outstanding deficiencies in its AML/CFT system.
CHAPTER 3

COUNTRY ASSESSMENT

Introduction

149. Assessing the AML/CFT regimes of GIABA member States is crucial in GIABA’s mandate. The assessment is carried out through mutual evaluation, which is a peer review exercise designed to assess the compliance level of a member State’s AML/CFT regime with the FATF 40 Recommendations, including effectiveness of the member State’s AML/CFT system and proffer recommendations on how to strengthen the regime.

150. Following the completion of the first round, GIABA commenced its second round of mutual evaluations in September 2016. As at July 2018, the on-site evaluations of Ghana, Senegal, Cabo Verde and Burkina Faso had been conducted. The GIABA Technical Commission (GTC) Plenary discussed and adopted the Mutual Evaluation Reports (MERs) of Ghana and Senegal in May 2017 and November 2018, respectively. In line with the GIABA Mutual Evaluation Process and Procedures for the second round, the two countries have been placed on the Enhanced Follow-up process. The Mutual Evaluation reports of Cabo Verde and Burkina Faso will be considered by the GTC in 2019.

151. Member States that are yet to be evaluated under the second round in the follow-up process under the first round and will exit the process at least a year before their on-site evaluation under the second round. The follow-up process is intended to provide regular monitoring and up-to-date information on countries’ compliance with the FATF standard and also to exert pressure on those countries that fail to make significant progress in resolving the deficiencies identified in their AML/CFT regime. As a current practice, the Plenary directs countries that exit the follow-up process under the first round evaluations earlier than a year before the on-site visit under the second round, to provide updates at the next Plenary on the progress they have made in preparing for their on-site visit.

GIABA SECOND ROUND MUTUAL EVALUATION

Mutual Evaluation Report of Senegal

152. The On-site visit for the mutual evaluation of Senegal was conducted from 18th September to 4th October, 2017. The assessment was conducted using the 2012 FATF Recommendations and the 2013 FATF Methodology for Assessing Technical Compliance with the FATF Recommendations and Effectiveness of AML/CFT systems.

153. The Mutual Evaluation Report (MER) of Senegal was considered and adopted at the GIABA 30th Plenary meeting of the GTC held in Banjul, The Gambia, from 11 to 16 November 2018, As shown in Fig 3.1 below, with regard to Technical Compliance, Senegal was rated on the 40 Recommendations as: Compliant (C) on 5 Recommendations, Largely Compliant (LC) on 7 Recommendations, Partially Compliant (PC) on 20 Recommendations, and Non-Compliant (NC) on 8 Recommendations. With regard to the Effectiveness of its AML/CFT system, Senegal was rated as having a Low level of effectiveness on Immediate Outcomes (IOs) 1, 2, 3, 4, 5, 7, 8, 9, 10 & 11(10 IOs in all) and a Moderate Level of Effectiveness on IO. 6.

154. The priority actions that the country should take to improve its AML/CFT regime as outlined in the MER include to: domesticate UEMOA Directive No. 02/2015/CM/UEMO on
AML/CFT; adopt a national AML/CFT strategy and disseminate findings to the relevant sectors; increase awareness-raising programs for AML/CFT stakeholders; monitor and supervise DNFBPs and impose sanctions for non-compliance with AML/CFT obligations; increase the frequency of on-site supervision of financial institutions for AML/CFT purposes and apply appropriate sanctions for non-compliance with AML/CFT requirements; strengthen the capacity of judicial authorities and ML/TF investigators to conduct parallel financial investigations and ensure that Magistrates and investigators of specialized anti-terrorist units are involved in AML/CFT programmes.

155. Following the adoption of the MER of Senegal, the Plenary placed the country on the Enhanced Follow-Up process and directed Senegal to submit its First Follow-up Report (FUR) to Plenary in November, 2019.

Follow-up Reports of Assessed Member States

156. GIABA member States submitted FURs, which chronicled the progress made in implementing the priority actions and recommendations in their MERs. The GIABA Plenary meetings held in May 2018 in Somone, Senegal considered and adopted the First FUR & Technical Compliance Re-Rating of Ghana (2nd Round); the Fifth FUR of Sao Tomé and Principe; the Eighth FUR of Benin; the Tenth FUR of Nigeria, the Fifteenth FUR of Sierra Leone, the Ninth FUR of Togo, the First FUR of The Comoros, the Thirteenth FUR of Guinea Bissau, and the First Enhanced FUR & Technical Compliance Re-rating of Ghana under the second round of mutual evaluation. The GIABA Plenary meetings held in November 2018 in Banjul, The Gambia, considered and adopted the Second FUR of The Comoros, the Sixth FUR of Côte d’Ivoire, the Ninth FUR of Guinea, the Ninth FUR of Liberia, the Tenth FUR of Niger, the Tenth FUR of Togo, the Eleventh FUR of Nigeria, the Thirteenth FUR of The Gambia and the Fourteenth FUR of Guinea-Bissau and the Second MER of Senegal.

157. The Plenary meetings discussed the FURs based on the GIABA Secretariat’s Analyses of the Follow-up Reports, observations made by the Evaluation Compliance Group (ECG), as well as analyses and comments made by delegates, including observer countries and organizations.
GIABA SECOND ROUND FOLLOW-UP PROCESS

The First Enhanced FUR & Technical Compliance Re-rating of Ghana

158. The Plenary adopted the MER of Ghana in May 2017. Ghana was rated PC on seven Recommendations (R.16, R.17, R.25, R.28, R.33, R.35, R.39) and NC in one Recommendation (R.8). The remaining Recommendations were rated LC or C. The Plenary placed Ghana on the Enhanced Follow-Up process and directed the country to submit its first FUR in May 2018. Ghana submitted its first FUR in May 2018 and requested for technical compliance re-ratings of Recommendations 16, 17, 33 and 35, which were originally rated Partially Compliant (PC) and Recommendations 18 and 22 which were originally rated Largely Compliant (LC).

159. The Bank of Ghana (BOG) and the Financial Intelligence Center (FIC) issued the revised BOG/FIC AML/CFT Guidelines for Banks & Non-Bank Financial Institutions (NBFIs) in January 2018. The guidelines require ordering financial institutions to include the full originator and beneficiary information in the message or the payment form accompanying the wire transfer in accordance with R16. However, the guideline omits the beneficiary’s account number in the list of beneficiary information to be included in the case of the ordering FIs. Concerning R17, Ghana resolved the deficiency relating to the absence of the requirement for financial institutions to have regard to a country’s level of risk in situations where the 3rd party they rely on is located in another country. Nonetheless, the Specialized Deposit Institutions (SDIs) Act, 2016 (Act 930), which is the current law governing the activities of SDIs, does not sufficiently resolve the requirement relating to third-party reliance involving FIs that are part of the same financial group. The Plenary noted that some progress has been made but minor deficiencies remained in relation to Recommendations 16 and 17 and therefore re-rated both recommendations as Largely Compliant (LC).

160. As regards Recommendation 18, the revised guidelines require financial groups to implement group-wide AML/CFT compliance programmes. The guidelines do not specify the measures which financial institutions should implement on a group-wide basis. On that basis, the Plenary maintained the rating of R.18 as Largely Compliant.

161. The Plenary maintained the rating of Recommendation 22 as Largely Compliant because Ghana did not resolve the relevant deficiencies identified.

162. Regarding Recommendation 33, the National Security Coordinator issued a Circular requiring all stakeholders to submit monthly reports on ML/TF-related activities to the financial Intelligence Centre using a template provided along with the Circular. The template did not cover statistics on investigations, confiscation, mutual legal assistance or other international requests for co-operation responded to and responses received. In addition, Ghana did not provide comprehensive statistics on the items listed in criterion 33.1 (a – d) to demonstrate that the new mechanism would enable Ghana to comply with R.33. The Plenary maintained the PC rating.

163. On Recommendation 35, Ghana drafted a set of “documents on administrative sanctions” for the Bank of Ghana (BOG), National Insurance Commission (NIC) and the Securities and Exchange Commission (SEC), which are the regulatory bodies responsible for supervising the banking, insurance and securities sectors, in line with the requirements of R.35. However, application of these sanctions had not been approved. Furthermore, the fines stipulated in Section 18 of Act 874 are not proportionate and dissuasive, as the Act sets a limit of $6,000 irrespective of the amount involved. Ghana is yet to amend this provision of the Act. The Plenary therefore maintained the PC rating on Recommendation 35.

164. Ghana trained supervisors of DNFBPs on risk assessment, application of the risk-based approach and effective supervision (R.1); established procedures for management of seized and confiscated illicit proceeds (R.4); developed supervisory tools, including a risk assessment matrix, which will ensure that AML/CFT supervisions are conducted on the basis of the ML risk and an assessment of the risk profile of an institution within the insurance
sector; mandated the Ghana Revenue Authority (GRA) to regulate, supervise and monitor the activities of DNFBPs, in furtherance of which the GRA has established an AML/CFT desk (R. 26); and applied section 147 of the Banks and Specialized Deposit-taking Institutions Act, 2016 (Act 930) to enhance the provision of section 85 of the Banking Act, 2004 (Act 673) which permits information exchange by the BOG if the information is used only for purposes related to the effective supervision of the institutions concerned (R. 40).

165. The Plenary maintained Ghana on the Enhanced Follow-up process and directed the country to submit its second follow up report to the Plenary in May 2019.

**GIABA FIRST ROUND FOLLOW UP PROCESS**

First and Second FUR of The Comoros

166. The First FUR of the Comoros showed that the country has enacted Law No. 12-008/AU of June 28, 2012 (promulgated on 2 August 2012) on combating ML and the financing of terrorism. The law repealed Ordinances No. 03002/PR of 28 January 2003 and N ° 09-002/PR of 6 March 2009 on ML. Comoros passed Decree No. 12-040 / PR of 18 February 2012 to enhance the operational autonomy of the FIU, added a budget line in the national budget, and specified the membership and competence of the members of the FIU.

167. The Central Bank of The Comoros (BCC) issued Regulation No. 011/2015/BCC/DSBR on internal control, management and risk management system of credit institutions; Regulation No. 16-2015/BCC/DSBR on the authorization of Financial Institutions; and Regulation No. 17- 2015/BCC/DSBR on the approval of senior managers. The BCC also set up a Banking Supervision and Regulation Department, whose annual programme includes an AML/CFT component on on-site and off-site inspection. The BCC improved permanent on-site inspection missions with the support of the Prudential Supervisory Authority and Resolution (ACPR, Bank of France) and the Bank of Tanzania.

168. The Comoros passed Decree No. 12-041/PR of 18th February 2012 to establish the National Committee on the Fight against ML/TF. The Committee has the mandate to define the national policy against ML/TF; propose any legislative, regulatory or administrative reform necessary to achieve its objectives; coordinate the various actions to be implemented in accordance with international bodies; constantly monitor progress in AML/CFT and the commitments made by the country at international level; and define the necessary AML/CFT training activities for the country.

169. The Ministry of Finance has allocated office premises to the FIU (Allocation Act No. 017/08/DIE). The FIU received thirty (30) STRs, conducted thirteen investigations and disseminated three (3) intelligence reports to the Prosecutor. The FIU also organized an AML/CFT Workshop for Non-Profit Organizations (NPOs) in collaboration with the BCC.

170. Comoros did not report on supervision of DNFBPs.

171. The Plenary noted that:

a) Comoros has not criminalized human trafficking and migrants smuggling, illicit trafficking in stolen and other goods, environmental crime; abduction of adults and hostage taking, smuggling, piracy, insider trading and market manipulation; aiding and abetting, counselling and facilitation of ML and TF;

b) The definition of TF does not cover the “use” of funds or other assets by a terrorist individual and by a terrorist organization;

c) Comoros does not have a threshold for wire transfers;

d) Ordering financial institutions are not required to accompany all domestic and international wire transfers with originator and beneficiary information;

e) Comoros is not a party to the Protocol against the Smuggling of Migrants by Land, Air and Sea; the Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially
Women and Children (also referred to as the Trafficking Protocol or UN TIP Protocol); and Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components and Ammunition (Firearms Protocol) Supplementing the Palermo Convention;

f) The country has not put in place mechanisms on targeted financial sanctions pertaining to UNSCRs 1267 and 1373 and their successor resolutions in accordance with the FATF Standard; and

g) There is no requirement to request for information on the origin and use of currency transported; maintain records on declarations; providing information on the amount of currency and the identity of the carrier; and the obligation to report to the FIU on cross-border transportation of currency and bearer negotiable instruments in excess of the authorized threshold.

172. Due to the remaining deficiencies, the Plenary placed The Comoros on the Enhanced Follow-up process and directed the country to submit its Second FUR to the Plenary in November 2018, which it did.

173. The November 2018 Plenary noted that since the adoption of the First FUR in May 2018, Comoros did not make significant progress in resolving the deficiencies in the country’s AML/CFT system. In view of the prevailing deficiencies, the Plenary maintained Comoros on the Enhanced Follow-up process and directed the country to submit its Third FUR to the Plenary in May 2019. In addition, the Plenary directed The Comoros to engage with the GIABA Secretariat to develop an Action Plan with deliverables, stating the nature of technical assistance required and timelines for resolving the outstanding deficiencies.

Fifth FUR of Sao Tomé and Principe


175. STP secured one ML conviction, frozen/seized assets valued at one hundred and twentythree thousand nine hundred and twenty-six Euros (€ 123,926). Some cases are under investigation and prosecution.

176. The Central Bank of STP conducted three (3) AML/CFT on-site examinations on financial institutions (two banks and one insurance company), and improved coordination with the private sector through engagement with financial institutions.

177. The FIU received nine (9) STRs, analyzed seven (7), and disseminated five (5) intelligence reports to the Public Prosecutor’s Office. The FIU received and responded to one request for information and made 2 requests for information.

178. On domestic cooperation, members of a committee comprising officials from the Customs Department, the Criminal Investigation Police, the Border and Migration Department and the National Police collaborated and shared information on AML/CFT issues. In addition, the FIU visited and engaged key stakeholder-institutions, including the Gambling Department, the Department of Regulation and Control of Economic Activities and the Registry and Notary Department on matters relating to AML/CFT as part of efforts to strengthen national collaboration. The FIU also held meetings with supervisory authorities of DNFBPs and carried out some awareness-raising activities to some AML/CFT stakeholders, including LEAs and DNFBPs.

179. Officials of stakeholder-institutions, including LEAs, FIU and the Central Bank received training to enhance their capacity for effective implementation of the AML/CFT measures.

180. The Customs Authority exchanged information with its foreign counterparts, including the Customs of Portugal. The country also
responded to Mutual Legal Assistance requests made by Angola, Brazil, Germany, Mozambique, New Zealand and Portugal.

181. The Plenary noted that STP is not supervising DNFBPs for AML/CFT purposes. Furthermore, key AML/CFT institutions, especially the FIU, lack sufficient resources to adequately perform its functions. The Plenary urged STP to commence the supervision of DNFBPs for AML/CFT purposes and adequately resource key AML/CFT institutions, particularly the FIU, to enable them to perform their functions effectively.

182. The Plenary maintained STP on the Expedited Regular Follow-up process and directed the country to submit its 6th FUR to the Plenary in May, 2019.

Sixth FUR of Côte d’Ivoire

183. Côte d’Ivoire enacted Law No. 2018-571 to criminalize illicit trafficking of migrants. The Law entered into force on 31 October 2018. Côte d’Ivoire adopted (i) Decree No. 2018-439 of 3 May 2018 to establish a mechanism for implementation of Targeted Financial Sanctions in accordance with the UN resolutions and (ii) Order No. 124 of 9 May 2018, which establishes the composition, and functioning of the Advisory Committee on Administrative Freezing (CCGA) to administer the UN Sanctions List, among others. The laws significantly resolve the technical deficiencies identified in relation to SRIL. The country is awaiting the adoption of the Community legislation on securities by the Regional Council for Public Savings and Capital Markets (CREPMF) to criminalize insider trading and market manipulation.

184. The Security and Defence Committee of the National Assembly adopted the Bill amending Law no. 2015-493 of 7th July 2015 to criminalize the financing of an individual terrorist and a terrorist organization for any purpose, as well as the financing of Foreign Terrorist Fighters.

185. On 18th July 2018 the Council of Ministers adopted a Criminal Procedure Code Bill which seeks to provide for the use of special investigative techniques for ML/TF and predicate offences. Côte d’Ivoire also issued Decree 2018-440 of 3rd May 2018, which has increased the number of entities represented in the Coordination Committee in accordance with law 2016-992 on AML/CFT.

186. The Banking Commission conducted AML/CFT examinations on five banks between March and April 2018. The BCEAO issued Directive no. 007-09-2017 on the modalities for application of the AML/CFT Uniform Law by financial institutions, particularly preventive measures on operations carried out by the FIs; Directive N° 006-05-2018 concerning the application of pecuniary sanctions by the UEMOA Banking Commission against credit institutions; and Directive No. 008-09-2017 which sets the threshold for the declaration of cross-border physical transportation of cash and BNIs at five million CFA at the point of entry or exit for persons travelling from or to non-UEMOA member countries.

187. The FIU entered into cooperation agreements with the FIUs of The Gambia and Guinea on May 9, 2018. Côte d’Ivoire organized and participated in training workshops with various stakeholders including Judges, LEAs, FIU staff, NPOs & and the private sector. The Coordination Committee held a training session for 58 officials from private and public sector stakeholder institutions, businesses and organizations.

188. The Mines Department has strengthened controls in the mining sector by providing training to the sector and strengthening regulation.

189. Côte d’Ivoire adopted Decree N° 125 of 9th May 2018 on the functions of the National Statistics Service on the fight against ML, TF and the proliferation financing which is specifically dedicated to the collection and management of statistical data on AML/CFT. Côte d’Ivoire is awaiting the validation of the National Strategy for the Development of Statistics (SNDS) by Cabinet. These measures are aimed at ensuring that the country maintains robust statistics on AML/CFT matters.

190. Côte d’Ivoire has not criminalized the financing of a terrorist organization and an individual terrorist for any purpose, as well as insider
trading and market manipulation. The country has not issued manuals to reporting entities to enable them to comply with customer due diligence and other preventive measures. There is no effective supervision of reporting entities, especially NBFIs and DNFBPs. Despite the number of predicate offences and potential ML cases, Cote d’Ivoire has not secured any conviction for ML offences.

191. The Plenary urged Cote d’Ivoire to intensify efforts to resolve the outstanding deficiencies in the country’s AML/CFT system, including commencing effective implementation of SRIII, and directed the country to submit its seventh FUR to the Plenary in November, 2019. Eighth FUR of Benin

192. The Republic of Benin enacted Decree No. 2017- 319 of 21st June 2017. The Decree designates the Minister of Finance as the Competent Authority for Administrative Freezing, specifies the responsibilities of the Minister and provides for the establishment of an advisory committee as well as the types of funds that may be frozen. It also empowers the country to determine whether the request of a third country meets the criteria for designation. Benin issued Inter-departmental Decree No. 2018 - 0631/MEF/MISP/MAEC/MJL/MDN/055SGG18 of 22 February 2018, on the allocation, composition and functioning of the Consultative Commission on Administrative Freezing (CCGA). Thus, Benin complied with two (2) of the three (3) major directives of the GIABA 27th Plenary held in May 2017, and have strengthened the domestic AML/CFT legal framework, particularly with regard to the implementation of United Nations Security Council Resolutions 1267 and 1373.

193. The Supreme Court and Cabinet of Benin approved and endorsed a Bill to domesticate Directive No. 02/2015/CM/UEMOA. The Bill has been forwarded to the Parliament through Decree 2017-518 of 15th November 2017 for consideration and adoption before the end of May 2018. The country also passed some laws and domesticated some Community texts, including Decree No. 2017 - 048 of 27th January 2017 appointing the members of the National Anti-Corruption Authority; Directive No. 07-09- 2017 on the modalities for implementing preventive measures of the AML/CFT Law by financial institution; Directive No. 008-09-2017 BCEAO of 25TH September 2017 on fixing the threshold of five million (5,000,000) CFA for declaration of physical cross-border transportation of currency and bearer negotiable instruments; Directive No. 09-09 2017 on fixing the threshold of five million (5,000,000) CFA for any debt repayment in cash or bear negotiable instruments and Directive No.10-09 2017 fixing the threshold of fifteen million (15,000,000) CFA for filing cash transaction reports to the FIU.

194. The FIU of Benin signed Memoranda of Agreement with four national operational services and 2 FIUs. The Benin FIU has been admitted as an observer at the Egmont Group. The membership of the FIU is subject to the enactment of the pending AML/CFT Bill.


196. The Plenary urged Benin to enact the AML/ CFT Bill as soon as possible to resolve the deficiencies identified in relation to R.5, R.10, R.13, R.38 and SR IX; appoint members of the Advisory Committee for Administrative Freezing; and criminalize the financing of an individual terrorist and terrorist organization for any purpose.

197. The Plenary approved the exit of Benin from the follow-up process on account of the country’s upcoming mutual evaluation on-site visit scheduled for 25th February to 13th March 2019. The Plenary directed Benin to submit an update on progress made towards the on-site visit in November 2018.

198. In November 2018 Benin provided an oral update to the Plenary on the progress the country had made since the May Plenary. Benin noted that the NRA report had been disseminated to the various stakeholders involved in AML/CFT and the country had conducted awareness rising programs on implementing remedial measures to resolve the deficiencies identified in the NRA. Benin noted that a pre-assessment training was delivered by GIABA from 9th to 12th July 2018 in Cotonou, Benin. The country also underscored its commitment to deploying every effort to ensure the success of the mutual evaluation exercise.
**Ninth FUR of Guinea**

199. The FIU of Guinea recruited one (1) IT staff and one (1) Financial Analyst; acquired four (4) units of computers, a standby generator and educational materials under the GIABA-EU SAMWA project. The FIU also developed a computer application and a database for the management of STRs. The FIU installed video surveillance and ICT security system at its premises to enhance security at the premises. The premises of the FIU is now guarded by a detachment of armed Gendarmerie officers. The FIU of Guinea also signed a Memorandum of Understanding with the FIU of Côte d’Ivoire and the National Anti-Corruption Agency (ANLC).

200. The Guinean authorities froze GNF 3.8 billion (approximately US$ 428 306) suspected to be the proceeds of crime. They also seized and confiscated currencies comprising $1,759,798, 109 100 Euros; CHF 89,720 and £ 5,875 as a result of non-declaration.

201. Two individuals, including a PEP, were indicted for ML offences. The trial of these cases was scheduled to commence after the court recess in the fourth quarter of 2018.

202. Guinea commenced its National ML/TF Risk Assessment process with the support of GIABA, following an agreement reached with the World Bank. Three (3) working sessions were held; about 60 officials formed the thematic working groups. The Minister of Finance appointed the coordinator of the NRA on 15th October 2018 by Order No. A/2018/7273/MEF/SGG/CAB.

203. The Plenary urged Guinea to require reporting entities to obtain information on the purpose and intended nature of the business relationship (R. 5-CDD); operationalize the agency established by the Code of Criminal Procedure to recover and manage seized and confiscated assets in order to complement the mechanism for the implementation of the freezing requirements of SR.III; and develop guidelines for DNFBPs to assist them in meeting their AML/CFT obligations.

204. The Plenary maintained Guinea on the Expedited Regular follow-up process and directed the country to submit its Tenth FUR in November, 2019.

**Ninth FUR of Liberia**

205. Liberia drafted a ML/TF Preventive Measures and Proceeds of Crime Bill, 2018. The Bill aims to, among other things, provide adequate powers to LEAs to identify and trace property subject to confiscation or suspected to be proceeds of crime (R.3); require reporting entities to make customer and transaction records and information available to domestic competent authorities on a timely basis (R10), and establish an Asset Forfeiture Fund (R38). The Bill is awaiting validation by relevant stakeholders.

206. Liberia also drafted the Regulations on Targeted Financial Sanctions against Terrorists and the Financial Intelligence Agency Bill, 2018 to facilitate the effective implementation of UNSCRs 1267 and 1373 and comply with the conditions for membership of the Egmont Group, respectively.

207. The Central Bank of Liberia (CBL) concluded a risk-based ranking of financial institutions and developed a risk-based schedule of off-site and on-site examinations. The CBL conducted “full-scope” AML/CFT risk-based examination of two banks and a joint AML/CFT risk-based examination of one bank, in collaboration with the Central Bank of Nigeria (CBN). The CBL also conducted targeted AML/CFT examination of another bank. The AML/CFT Unit of the CBL conducted follow up on-site inspections to ascertain whether banks had taken remedial actions to resolve the deficiencies that were identified during previous examinations. In this regard, the CBL issued warning letters to four banks for violations of the AML/CFT Regulations.

208. The CBL has developed tools and manuals on AML/CFT Risk-Based Examination for microfinance institutions (MFIs) and insurance institutions. The CBL commenced the drafting of an AML/CFT Risk-Based Examination Manual for Mobile Money Institutions.

209. The CBL concluded the ML/TF risk assessments of all licensed foreign exchange bureaus in Liberia (120). The staff of the AML/
CFT Unit and the Supervisory Working Group (SWG) of the CBL were trained on AML/CFT risk-based on-site examination.

210. The FIU developed an Electronic Reporting System for filing STRs and CTRs and published an Analysis Procedures Manual for its operations. The FIU also issued and published an AML/CFT Circular for the Gaming Sector; commenced AML/CFT awareness raising meetings with senior management teams of AML/CFT stakeholder institutions in the public sector and drafted an AML/CFT Circular for the NGO/NPO sector.

211. Liberia prepared a statistical report on STRs, CTRs and information exchange. Liberia reported that the country has commenced its AML/CFT National Risk Assessment.

212. The Plenary urged Liberia to criminalize illicit trafficking in “other goods” (R1), ensure effective implementation of preventive measures among DNFBPs as well as monitoring and supervision of DNFBPs (R12 & R24); establish appropriate legal framework for timely access to beneficial ownership information (R34 & R35); establish an appropriate legal framework for NPOs in accordance with the revised FATF standards and issue regulations or procedures to facilitate effective MLA. The Plenary also urged the country to enact the Financial Intelligence Agency Bill, 2018, the Money Laundering, Terrorist Financing, Preventive Measures and Proceeds of Crime Bill, 2018; issue the Regulations on Targeted Financial Sanctions against Terrorists; sensitize and train relevant stakeholder institutions on TF laws; enhance the capacity of relevant officials to investigate and prosecute ML and intensify efforts to become a member of the Egmont Group.

213. The Plenary maintained Liberia on the Expedited Regular Follow-up process and directed the country to provide an oral update on the progress it has made at resolving the deficiencies at the May 2019 Plenary. The Plenary also directed Liberia to submit its Tenth FUR to the Plenary in November, 2019.

Ninth and Tenth FUR of Togo

214. The President of Togo assented to the UEMOA Uniform AML/CFT Law on 4th May, 2018. The Law is now in force and effect in the country.

215. The FIU developed a digital library to enhance its Information Technology tools and operational base. In September 2017, the FIU froze a bank account with funds amounting to one hundred and seventy-eight million (CFAF 178,000,000).

216. The Plenary commended Togo for domesticating the UEMOA Directive relating to the Fight against ML/TF, and urged Togo to implement UNSCRs 1267 and 1373; and to criminalize the financing of an individual terrorist or a terrorist organization for any purpose. The Plenary rescinded its earlier decision to issue a Public Statement on Togo for ineffective implementation of the FATF standard but maintained the country on the Enhanced Follow-up process until the country resolves the remaining strategic deficiencies. The Plenary directed Togo to submit its Tenth FUR to it in November 2019, which it did.

217. The November 2018 Plenary noted from the review of the Tenth FUR that the FIU disseminated the new Uniform Law by publishing the law and its enforcement directives on the FIU’s website, informing relevant stakeholders about its entry into force and the possibility of downloading it from the website. The country implemented Directive No. 007-09-2017 on the modalities for application of the AML/CFT Uniform Law by financial institutions. As regards implementation of UNSCRs 1267 and 1373, on 3rd August 2018, Cabinet adopted a Decree designating the authority responsible for coordinating the national response to ML/TF risks. The Decree established the National Coordinating Committee and also designated the Minister of Finance as the competent authority for administrative freezing. In addition, the Decree operationalizes the provisions of the Uniform Law on the Implementation of the Freezing Mechanism and the Establishment of an Advisory Committee on Administrative Freezing Measures. In June 2018, the National Assembly adopted laws on the fight against
crime in the maritime sector and cross-border cooperation in the financial and real estate sectors.

218. Togo officially launched its NRA at a workshop held from 11 to 13 June 2018 in Lomé with technical and financial assistance from the World Bank, the UNODC and GIABA.

219. The FIU organized a series of meetings (June 07, 2018, July 18, 2018, July 19, 2018 and August 16, 2018) with compliance officers of national financial institutions and encouraged them to, among other things, review their AML/CFT compliance programs and internal procedures; conduct institutional ML/TF risk assessments; and to understand their roles in the National ML/TF Risk Assessment, in line with the new AML/CFT Law.

220. The Plenary removed Togo from the Enhanced Follow-up process and placed the country on the Expedited Regular follow-up process. The Plenary urged Togo to criminalize the financing of an individual terrorist and a terrorist organization for any purpose, and submit its Eleventh FUR to the November 2019 Plenary.

Tenth FUR of Niger

221. Niger passed an Act establishing the status of Justices of the Peace (JPs); the Act governing real estate development; the Act regulating the business introducer profession and the Act establishing the status of Notaries. The country also adopted an Order to accede to the Convention on Combating Cybercrime.

222. Niger convicted two individuals for ML offences and each one was sentenced to five years imprisonment and fined CFAF 8,284,497,993 (12,628,808 Euros). A sum of CFAF 225,000,000 (342,988 Euros) was allocated to the State of Niger as compensation. Similarly, an individual was held in custody for breach of trust and laundering the proceeds of tax fraud amounting to CFAF1,452,000,561 (2,213,415 Euros). On 6th November 2017, the Courts further indicted six persons, for fraud and laundering an amount of CFAF 415,000,000 (632,622 Euros) being the proceeds of the fraud.

223. The country froze and seized 6 properties and CFAF 893,865,025 (1,362,599 Euros) in cash. A Director General was appointed for the Central Agency for the Management of Seized Confiscated, Frozen and Recovered Assets. The mandate of the Agency is to manage seized, confiscated and frozen assets, and to recover assets linked to illicit proceeds.

224. In the context of combating TF, the Specialized Legal Division against Terrorism and Transnational Organized Crime held two special sessions from November 2017 to April 2018 and from April 2018 to June 2018 for the trial of TF cases. The court imposed several prison sentences and fines and further confiscated assets, including 5,000 Euros and CFAF 29,000 (44 Euro), and three ammunitions.

225. From November 2017 to July 2018, the FIU received 26 STRs and disseminated 6 intelligence reports to the State Prosecutor resulting in the prosecution of 18 individuals. 17 of the accused persons were remanded in prison custody on 6 November 2017 for fraud and laundering the proceeds of fraud involving the sum of CFAF 415,000,000.

226. The country signed an MOU for Cooperation in Judicial Administration with the Kingdom of Morocco.

227. The Plenary approved the exit of Niger from the follow-up process to enable the country prepare for its on-site visit under the second mutual evaluation scheduled for January, 2020. The Plenary also directed Niger to provide an update on measures taken to resolve the outstanding deficiencies identified in its AML/CFT regime in May, 2019.

Tenth and Eleventh FUR of Nigeria

228. The Senate passed the Proceeds of Crime Bill, the Mutual Legal Assistance Bill, the Nigerian Financial Intelligence Unit Bill and the Whistleblower Protection Bill.

229. The Attorney General of the Federation and Minister of Justice created an Asset Recovery and Management Unit (ARMU) at the Federal Ministry of Justice, pending the entry into force of the Proceeds of Crime Bill.
230. The Federal Executive Council of Nigeria adopted a National Anti-Corruption Strategy (NACS) spanning 2017 to 2021. The NACS, which is the national reference guidance document for all sectors and stakeholders in the fight against corruption, focuses on Prevention; Public Engagement; Ethical Re-orientation; Enforcement and Sanctions; and Recovery and Management of Proceeds of Crime.

231. The Minister of Finance initiated a Whistleblower Policy to support the fight against financial crimes and corruption in Government by encouraging citizens to expose financial crimes and rewarding whistle-blowers. The Ministry established a secure online portal, (http://whistle.finance.gov.ng/Pages/default.aspx), for receiving information concerning violations of financial regulations, mismanagement of public funds and assets, fraud and theft deemed to be in the interest of the public. Whistle-blowers are protected from harassment or intimidation by indicted persons. The Policy increased accountability and transparency in the management of public funds and facilitated the recovery of large sums of looted public funds.

232. Supervisory authorities of financial institutions (the Central Bank of Nigeria (CBN), the Securities and Exchange Commission (SEC) and the National Insurance Commission (NAICOM)) strengthened and expanded the scopes of their AML/CFT regulatory frameworks on customer due diligence (CDD), record keeping, suspicious transaction reporting, cash transaction reporting and submission of other reports. The authorities applied sanctions to financial institutions that were found to have violated AML/CFT requirements.

233. The Special Control Unit against Money Laundering (SCUML) conducted on-site examinations of some DNFBPs. The SCUML effected one hundred and three (103) arrests and conducted two prosecutions for violation of AML/CFT requirements.

234. On 19 January 2018, Nigeria inaugurated the Nigeria Sanctions Committee (NSC) with the mandate to freeze terrorist funds and implement other requirements of UNSCRs 1267 and 1373, and their successor resolutions.

235. The Nigerian Financial Intelligence Unit (NFIU), in collaboration with the relevant supervisors/training institutions, organized sensitization programmes for commercial banks (7), primary mortgage banks (3), insurance brokers (560), capital market operators (79), members of the Mortgage Bank Association of Nigeria (13) and Foreign Exchange Bureaus (FEBs) (8). SCUML organized sensitization programs for 224 DNFls/DNFBPs.

236. Relevant competent authorities in Nigeria cooperated and collaborated with their foreign counterparts to fight against terrorism and violent extremism. The authorities shared information on sanitized TF cases on small units and lone actors within their respective counterparts.

237. Nigeria prosecuted three suspects and secured two convictions for ML offences. The authorities confiscated movable and immovable assets of unspecified value.

238. The Plenary noted that the Proceeds of Crime Bill, the Mutual Legal Assistance Bill, the NFIU Bill and the Whistleblower Protection Bill were not in force and effect. Nigeria did not provide any timeframe within which the enactment processes for these Bills would be concluded. In addition, Nigeria did not demonstrate effective implementation of the freezing requirements of Special Recommendation III. The Plenary placed Nigeria on the Enhanced Follow-Up process and directed the country to submit its Eleventh FUR to the Plenary in November 2018 and it did.

239. The Eleventh FUR of Nigeria showed that the President of the Federal Republic of Nigeria assented to the Nigerian Financial Intelligence Unit (NFIU) Bill on 11 July 2018. The Act entered into force and effect on the date of Assent. The provisions of the Act comply with the requirements of the old and current FATF Recommendations on FIUs. As a result of this, the Egmont Group lifted the suspension of Nigeria from all Egmont Group events and activities.
240. The House of Representatives passed the Proceeds of Crime Bill on 24 July 2018. The Bill went through the second reading and was awaiting consideration by the relevant Committee of the House. Nigeria did not provide information regarding the timelines for the enactment of these two Bills as well as the status of the Mutual Legal Assistance Bill.

241. The country prosecuted cases relating to ML/TF, and associated predicate offences, resulting in 58 convictions (ML/TF related (32); human trafficking (16); corruption (9) and 1 against a DNFBP). Ninety-six cases on ML/TF and associated predicate offences were pending before the courts as at the reporting time. The Independent Corrupt Practices Commission (ICPC) seized a sum of $8,000,000 and N10, 488, 159 being proceeds of corruption.

242. Competent authorities conducted on-site AML/CFT (including risk-based) supervision of reporting entities and applied sanctions for non-compliance with AML/CFT requirements.

243. The Nigerian authorities inaugurated a Mutual Evaluation Technical Committee (METC) to coordinate preparations for its second mutual evaluation exercise.

244. The Plenary approved the exit of Nigeria from the Follow-up process to enable the country to focus on preparations for the on-site visit of its second mutual evaluation scheduled for 23 September to 10 October 2019. The Plenary directed Nigeria to provide updates on the Proceeds of Crime Bill and the Mutual Legal Assistance Bill because the confirmation of the timelines for the finalization and enactment of these laws on or before the end of 2018 would be necessary to facilitate the decision of the FATF Plenary in February 2019 on the date for the High-level Mission with regard to Nigeria’s membership application.

246. The country prosecuted two ML and several predicate offences and secured convictions in relation to some predicate offences.

247. The Central Bank of The Gambia (CBG) conducted seven (7) AML/CFT examinations on banks while the NGO Affairs Agency monitored NGOs for CFT purposes.

248. The FIU signed MoUs with the FIUs of Cote d’Ivoire and Angola; recruited additional personnel and established a Strategic Analysis Committee with the mandate to develop typologies of ML/TF trends and provide guidance to relevant stakeholders. The FIU also signed a Service Agreement with the UNODC to deploy the GoAML software and enhance its analytical capacity. The FIU is also working with the FIUs of Ghana and Senegal in support of its application for membership of the Egmont Group.

249. The Gambia expanded the membership of the AML/CFT Inter-Ministerial Committee to include the General Legal Council and the Ministry of Lands and Regional Government, and conducted training for key stakeholder-institutions, including reporting institutions.

250. The Plenary urged The Gambia to: supervise DNFBPs for AML/CFT purposes; criminalize market manipulation; enhance the capacity of LEAs to effectively investigate ML/TF cases; enact the Mutual Legal Assistance in Criminal Matters Draft Bill, 2017, the Capital Market Draft Bill, 2017 and the Extradition Draft Bill.

251. The Plenary maintained The Gambia on the Expedited Regular Follow-up process and directed the country to submit its Fourteenth FUR to the Plenary in November 2019.

252. The FIU of Guinea Bissau signed MOUs with the FIUs of Angola, Portugal and Brazil, and made one request for information to the FIU of Angola.

253. The authorities of Guinea Bissau commenced investigations of 17 corruption cases; trained officials of the Directorate-General

Thirteenth FUR of The Gambia

254. The Gambia passed the Central Bank Amendment Bill 2018, drafted the AML/CFT Regulations 2018, and extended the scope of FIs required to report Cash Transaction Reports (CTRs) to include microfinance institutions.
for the Supervision of Financial Activities and Insurance (DGSFAI), the FIU and others; organized sensitization and awareness programmes on three radio stations, as well as a validation workshop on the Bill on Combating Piracy and Counterfeits.

254. The Plenary noted that Guinea Bissau had not made significant progress in implementing AML/CFT measures and resolving the following strategic deficiencies noted by the 28th Plenary:

• Non-criminalization of the smuggling of migrants and piracy;
• Lack of prosecution or conviction relating to ML/TF;
• Minimal filing of STRs by reporting entities;
• Lack of effective supervision of reporting entities, particularly DNFBPs;
• Limited international cooperation between competent authorities, other than the FIU, and their foreign counterparts; and
• Lack of implementation of UN Security Council Resolutions relating to TF.

255. The Plenary urged Guinea Bissau to take appropriate steps to expeditiously criminalize migrant smuggling and piracy, insider trading and market manipulations; domesticate the UEMOA Uniform AML/CFT Law and adopt the draft Handbook for the DNFBP sector before November, 2018.

256. The Plenary maintained Guinea Bissau on the Enhanced Follow-up process and maintained the Public Statement issued on Guinea Bissau to the effect that that country is insufficiently implementing the FATF Recommendations. The Plenary also directed Guinea-Bissau to submit its Fourteenth FUR to the Plenary in November 2018, which it did.

257. The Fourteenth FUR of Guinea Bissau indicated that the country domesticated the UEMOA Uniform Law on Combating ML and Terrorism Financing through Law no 3/2018 of August 6, 2018. The law significantly resolves the technical/legal deficiencies identified by the country’s MER.

258. The Plenary observed that Guinea Bissau had not criminalized migrant smuggling, piracy, insider trading and market manipulation. In addition, the country did not demonstrate effective supervision of reporting entities, especially DNFBPs, for AML/CFT purposes. There was no evidence that reporting entities were submitting STRs. Guinea Bissau did not demonstrate effective international cooperation, as well as with regard to the implementation of UNSCRs 1267 and 1373, and their successor resolutions as directed by the 29th GIABA Plenary.

259. The Plenary urged Guinea Bissau to resolve the deficiencies identified in its AML/CFT regime. The Plenary maintained Guinea Bissau on the Enhanced Follow-up process and maintained the Public Statement issued on Guinea Bissau until the Plenary is satisfied that the country has resolved the outstanding strategic deficiencies it has noted it. The Plenary directed Guinea Bissau to submit its Fifteenth FUR to the Plenary in May 2019, and directed the GIABA Secretariat to undertake a high-level mission to meet with the authorities of Guinea Bissau to emphasize the need to take appropriate steps to expeditiously resolve the outstanding deficiencies and sufficiently implement the FATF Recommendations.

260. Sierra Leone issued the Revised Directives and Guidelines for the Prevention of ML and TF on 4 September, 2017 and conducted training and sensitization on the guidelines for the staff of banks and insurance companies.

261. The Compliance and Prevention Division of the FIU conducted on-site examinations of all the thirteen commercial banks and four major forex bureaus. The FIU directed the supervised entities to implement appropriate remedial measures to resolve the identified deficiencies. The country is finalizing the schedule of administrative sanctions that will be applied for continued violation of ML/TF preventive measures. Insurance firms appointed AML compliance officers in accordance with the FATF standards.

262. Sierra Leone secured two convictions for ML offences.

263. The country established an AML/CFT Supervisors’ Forum comprising all supervisory
authorities, including regulators for DNFBPs. The Transnational Organized Crime Unit (TOCU), the Office of National Security (ONS) and other specialized security agencies also entered into Memoranda of Understanding to enhance cooperation and better coordinate efforts in the fight against organized crime.

264. The FIU enhanced the capacity of staff members through the peer-to-peer mentorship programme under the SAMWA Project. The FIU’s membership application process to the Egmont Group is in progress.

265. The country has disseminated its National Risk Assessment (NRA) report and Action Plan to AML/CFT stakeholders and policymakers.

266. The Plenary urged Sierra Leone to intensify efforts to: criminalize terrorism, market manipulation, and the provision of support to an individual terrorist or terrorist organization for any purpose; ensure that all reporting entities, including DNFBPs and NBFIs comply with AML/CFT obligations and are monitored for this purpose; put in place measures for the effective implementation of the UNSCRs; and establish an effective regulatory and supervisory framework for NPOs.

267. Due to the on-site visit for the second mutual evaluation scheduled for July 2019, the Plenary approved for Sierra Leone to exit the follow-up process to enable the country to prepare for the visit, and directed Sierra Leone to update the November 2018 Plenary on measures the country had taken to resolve the outstanding deficiencies in its AML/CFT system.

CHALLENGES FACED IN CONDUCTING MUTUAL EVALUATIONS UNDER THE SECOND ROUND

268. GIABA has concluded two mutual evaluations (Ghana and Senegal) while the draft MERs of Cabo Verde and Burkina Faso are scheduled to be discussed in May 2019. The discussion of the MERs of Senegal and Cabo Verde were postponed from May 2018 and November 2018 to November 2018 and May 2019, respectively. Also, the publication of the MER of Ghana was postponed and the MER was subjected to a global quality and consistency review.

269. The ME process is progressing. However, GIABA has been experiencing the following challenges:

- The assessors did not have a good understanding of the standards and most of the assessors tended to work in silos. There were also issues relating to drafting. Assessors could not adapt their writing style to that of the standard of writing MERs.

- Even though the assessed countries exited the follow-up process one year before the on-site visit in order to prepare for the visit, in the end the concerned countries were not adequately prepared for the evaluation. The completed questionnaire and the narrative on effectiveness were extremely scanty such that most of the task of researching for the appropriate provisions of the law fell on the Secretariat and the assessors. This also meant that a considerable amount of information could only be obtained during the on-site visit, leaving very little time for assessors to fine-tune their analysis on both the TC and the Effectiveness outcomes. In addition, due to the volume of new information provided at the later stages, countries could not comprehensively review and comment on subsequent analysis provided by the assessors, due to time constraints. Although these issues could have been taken on board at the face to face meeting with the assessed country, the number of days allocated for the face to face meeting with the assessed country, the number of days allocated for the face to face did not take into account the wide scope of issues that had to be discussed at the meeting. In addition, member States did not adhere to the timelines and this led to considerable delays.

- The GIABA Secretariat does not have adequate human resources at the moment. There are generally only two members of staff working on and supporting each ME exercise.

- Another challenge relates to translation. GIABA works in three languages and the FATF reviews the MERs in English. The in-house interpreter/translators could not
translate the documents within a short time because they also perform interpretation duties for regional and other activities. To supplement their efforts, external translators were employed. Also, the tight timelines did not allow a proper review of the documents and quality assurance by the in-house translators. Consequently, there were issues related to the quality of translation. This impacted on the quality of the MER and timelines.

- Also, there has been very limited participation of GIABA members States in the review of the draft MERs or at the ECG meetings and Plenary discussions.

270. GIABA is taking steps to resolve these issues. For instance, GIABA has incorporated the standards training as a prerequisite for the assessors training. Also, an additional two-day session is being considered for report writing during the assessors training. The GIABA Secretariat has also been ensuring that presentations on different aspects of the FATF standards are made to delegates at the Plenary to enhance their capacity. The Secretariat also plans to resolve difficulties around translation considering that a dedicated team of translators is required for MERs. Most importantly, GIABA will leverage on the experience gained so far from the 2nd round of mutual evaluation to improve on the quality and consistency of the MERs.

GIABA MEMBER STATES SUBJECT TO MONITORING OF THE FATF INTERNATIONAL COOPERATION REVIEW GROUP

271. In October 2018, the FATF identified Ghana as a jurisdiction with strategic AML/CFT deficiencies based on the outcome of its second round mutual evaluation, which
was conducted by GIABA. The country has developed an action plan in collaboration with the FATF to resolve the most strategic deficiencies. The FATF has welcomed Ghana’s high-level political commitment to the implementation of the action plan.
CHAPTER 4

TYPOLOGIES AND OTHER RESEARCH STUDIES

Introduction

272. Goal 2 of GIABA’s 5-year Strategic Plan (2016 – 2020) aims at building AML/CFT regimes that are based on pertinent, current and emerging risks in member States. The conduct of typologies and other research studies is fundamental to the identification and understanding of money laundering and terrorist financing (ML/TF) risks as provided for in the strategy. It is also one of the primary functions of a FATF-Style Regional Body (FSRB). Besides, GIABA’s Statutes provide for the conduct of typologies and other ML/TF studies.

273. Understanding the criminal environment is a prerequisite to compliance with international AML/CFT standards. Conducting typologies is key to the identification of risk indicators and red-flags for ML/TF emanating from internal and external threats and systemic and contextual vulnerabilities. The FATF recommendations adopted in 2012 has made it obligatory for jurisdictions to have a good understanding of the ML/TF risks they face in order to adequately mitigate them. Recommendation 1 in particular, emphasizes the conduct of ML/TF risk assessment.

274. Considering that ML/TF risks, trends and methods are constantly evolving, typologies and research studies are critical to the ability of GIABA member States to take effective action in order to strengthen their AML/CFT regimes.

276. GIABA will continue to engage the member States that have completed their NRA, particularly on the implementation of their action plans based on priorities and will continue to mobilize its partners to provide technical and financial assistance to the countries, while making sure the countries’ authorities commit themselves to ensuring that the action plans and strategies are fully implemented. Also, GIABA will work...
with the countries to establishment of a robust and seamless national mechanism for continues risk assessment so as to ensure the continuous flow of information for the update of country ML/TF risk status. Additionally, GIABA, with the support of partners, will continue to monitor the countries that are undergoing the assessment until its completion. In 2019, the 3 countries that have not commenced the process will be engaged, including providing them the support they need, so that they can commence the process.

**UPDATE ON ONGOING TYPOLGIES AND OTHER STUDIES**

**Money Laundering and Terrorist Financing resulting from the Smuggling of Goods in West Africa**

277. The regional study on money laundering and terrorist financing arising from the smuggling of goods in West Africa is aimed at understanding and assessing the phenomena of smuggling of good across borders in the region - nature and extent of the problem, monetary and other wise, the types of goods being smuggled, the types of people involved, the drivers, enablers and facilitators.

278. The field visits for the collection of data were carried out in 3 phases. Phase1 (One) of the visits was conducted between November and December 2017, covering Five (5) countries (Benin, Cote d’Ivoire, Ghana, Nigeria and Togo). Following the presentation of the initial findings at the 29th GIABA plenary, Phases 2 and 3 of the field visits were launched in August 2018 and was completed in December, 2018.

279. The research team is putting together the report as agreed as follows:

- **January to March, 2019:** Upon completion of the data collection process in December, 2018, the project team will collate and analyse the responses and draft the report, which will be translated;

- **April to May, 2019:** Presentation of the draft report to the RTMG and the delegations, as well as other stakeholders for comments and review to improve the final draft report; and

- **Second half of 2019:** After the publication of the report, a stakeholder workshop will be organised to engage policy makers in the region to discuss the outcome and recommendations of the report and how it would inform and assist in policy formulation and the development of actionable strategy in order to enable law enforcement and other stakeholders to resolve the prevailing threats and vulnerabilities both at the national and regional levels.

**Money Laundering and Terrorist Financing arising from Human Trafficking and Migrants’ Smuggling in West Africa**

280. The GIABA Risk, Trends and Methods Group agreed to a proposal to conduct a new typologies study on ML/TF arising from Human Trafficking and the Migrants’ Smuggling in November 2017, which was adopted by Plenary. The objective of the typologies study is to gain understanding of money laundering and terrorist financing risks related to human trafficking and migrants smuggling in West Africa. The study will build on existing efforts, including the work of FATF, but will extend the frontiers of knowledge by focusing on the methods and techniques used by human traffickers and their associates to launder the proceeds of their crimes particularly in West Africa. Also, given the alarming incidence of terrorism in West Africa, the project also seeks to explore how terrorism may have been funded through human trafficking, as well as the methods and techniques used.

281. The study covers only the 15 ECOWAS member States. Experts from member States were engaged by GIABA to conduct in country research. The RTMG members, with technical support from the Secretariat, are working with country researchers to produce their respective country reports on the study. The overall regional report will be put together by the RTMG.
282. The FATF study on “Illicit financial flows arising from human trafficking” published in October 2018, provided significant insight into the GIABA regional study and helped to guide its direction. The conclusions of the FATF report provided a good understanding of the global risks of ML/TF through human trafficking. It also provided national authorities with some information they can use to improve the effectiveness of their efforts against ML/TF related to the proceeds of human trafficking. The report indicated that the human trafficking is a standalone offence that manifests differently in various parts of the world. In view of global differences, the project team urged all jurisdictions to understand their ML/TF risks and to share the results with relevant stakeholders. In addition, jurisdictions were urged to endeavor to better understand the challenges they face in detecting, investigating and prosecuting cases of ML/TF emanating from human trafficking, and to develop and implement practical measures to overcome them. GIABA was part of and made considerable contributions to the FATF study.

283. The next steps for the completion of the study are as follows:

- **19th to 23th November 2018**: Finalization of the recruitment process of consultants to conduct research in the four remaining countries: Benin, Guinea Bissau, Cabo Verde and Mali;
- **19th to 30th November 2018**: final review of draft reports received from experts of the 11 other countries;
- **3rd to 20th December 2018**: Administration and collection of country questionnaires;
- **From 20th December 2018 to 07th January 2019**: Consolidation of the 1st draft report;
- **8th to 11th January 2019**: dissemination of the 1st Draft report to RTMG members;
- **From 21st to 23rd January 2019**: Organization of a workshop for the validation of the draft report by the RTMG and Member States' representatives;
- **21th to 25th January 2019**: Preparation of 2nd Draft report;
- **28th January to 8th February 2019**: Review of the 2nd Draft report by RTMG members, Member States and GIABA Partners;
- **11th to 28th February 2019**: Incorporation of amendments to the report and preparation of 3rd Draft report;
- **1st to 29th March 2019**: translation of the report into three ECOWAS languages;
- **1st April 2019**: sharing of the Final Draft report to GIABA Plenary participants;
- **May 2019**: Adoption of Final Report by Plenary and its publication on the GIABA website after the completion of any amendments.

Assessment of Beneficial Ownership Information and Asset Recovery Frameworks of GIABA member States for AML/CFT purposes

284. An Assessment of the Beneficial Ownership Information and Asset Recovery Frameworks of GIABA member States for AML/CFT purposes was one of the research activities conducted in 2018, as identified in GIABA work plan. The assessment was targeted at selected GIABA member States.

285. The objective of the project was to assess the existing legal and regulatory frameworks for collecting beneficial ownership information for AML/CFT purposes by national competent authorities on companies, trusts and other legal entities and asset recovery framework in five (5) GIABA member States – Cabo Verde, Cote d’Ivoire, Ghana, Nigeria and Senegal.

286. The rationale for the selection of these 5 countries was the fact that 4 of them are the largest economies in the region where the risks of misuse of corporate vehicles are expected to be higher. Cabo Verde was included in order to understand the Lusophone approach to company transparency. The assessment was carried out directly by GIABA Secretariat staff. The
initial preparations and documentation for the conduct of the assessment have been concluded.

287. The next steps are as follows:

a) November 2018: The remaining days of November 2018 will be used to finalize the research instruments - questionnaire, interview sheets and focus group discussion guide - for the field visit.

b) December 2018: National correspondents will be contacted to identify and assign a qualified person to serve as a facilitator and to assist with the planning and execution of the field visits.

c) February and March 2019: Field visits to the selected countries will be carried out.

d) April and May 2019: Drafting, review and translation of the report.

e) June 2019: The report will be further reviewed by members of the RTMG and selected experts, including from the FATF Secretariat and the World Bank.

f) November 2019: The final report will be presented at the November 2019, RTMG and Plenary meetings for endorsement before publication.

Assessment of Counter Terrorism Financing Capacities of GIABA member States

An assessment of member States capacity to effectively counter terrorism financing (TF) in the region was one of the research activities of GIABA in 2018. The assessment is targeted at 5 GIABA member States considered to be the countries most affected by terrorism, namely: Burkina Faso, Côte d’Ivoire, Mali, Niger and Nigeria.

288. This exercise is designed to assess the capacity of the 5 countries to effectively apply international CFT measures and will be conducted by an independent expert, with support from GIABA Secretariat.

289. The assessment was expected to produce the following outputs:

- Identification of the gaps and weaknesses (policy and institutional) in the application of the global CFT measures;
- Provide evidence-based explanation for those gaps and weaknesses;
- Suggest ways to address the issues; and
- Produce a comprehensive report containing the findings and recommendations.

290. The steps are as follows:

a) January 2018: Finalization of the research instruments, including questionnaire, interview sheets and focus group discussion to guide the field visits. GIABA National correspondents contacted to identify and assign a qualified person to serve as a facilitator and to assist with the planning and execution of the field visits.

b) February - March 2019: Conduct of field visits to selected countries.

c) April and May 2019: Drafting, review and translation of the report.

d) June 2019: Further review of the report by members of the RTMG and selected experts, including from the FATF Secretariat and the World Bank.

e) November 2019: Presentation of the final draft report at the, RTMG and Plenary meetings for endorsement before publication.

NEW TYPOLOGIES AND OTHER RESEARCH STUDIES PROPOSALS

Typologies on Money Laundering and Terrorist Financing through Informal and Illegal Currency Exchange Service Providers in West Africa

291. Cash is the most frequent method of payment for goods and services in the West African region, and in some cases, involving very large amounts. This poses great challenge when it comes to the tracking and tracing of criminal proceeds. The exchange of foreign currency in the form of cash in the non-formal and
authorized outlets is very frequent. Foreign currencies are often smuggled or imported without proper declaration. Many factors are responsible for this problem. Border porosity facilitates illegal cross-border activities, including smuggling and carrying of bulk cash amidst weak enforcement. Some member States are yet to have laws against informal foreign currency exchange operations and/or effective criminal justice systems to address the problem. There is also the lack of effective cooperation and collaboration amongst key stakeholders, talk less of a national strategy in the fight against illegal and informal foreign currency exchange operations.

292. The proposed typologies exercise is therefore meant to highlight the vulnerabilities and possible threats of illegal and informal foreign currency exchange operations in West Africa and the impact it has on the region. The findings will reveal the implications for interventions and relevant recommendations will be made in that regard.

293. Upon consideration and receiving approval, a project team will be formed constituting of experts from ECOWAS member States and the GIABA RTMG members, to be supported by GIABA Secretariat. The project would involve the review of relevant literature on the subject matter in order to understand the nature of illegal and informal foreign currency exchange operations in West Africa and the associated methods and techniques. A questionnaire will be developed to gather relevant information from identified sources, including GIABA member States’ institutions. Interviews will be conducted with key actors to generate first-hand information that could not be obtained through the use of questionnaire and other tools. The project is expected to last for a year, ending in February 2020.

294. The outcome of this project is expected to provide relevant information on the nature and pattern of illegal and informal foreign currency exchange operations in West Africa and the types of people involved. The report will be useful to governments with regard to policy and operational intervention; to reporting entities with regard to compliance with relevant legal provisions; to regional and international organizations with regard to targeted technical assistance; and to the civil society with regard to supporting governments to combat money laundering and terrorist financing in the region.

Update on the Operationalization of the Strategic Surveillance Programme Database

295. The objective of the Strategic Surveillance Program (SSP) is to serve as an early warning system on ML/TF developments in the region as part of the regional risk monitoring function of GIABA secretariat. Thus, in addition to deepening understanding of ML/TF situation in West Africa, the SSP will serve as a tool for monitoring, planning and acting against ML/TF by relevant stakeholders in member States and by regional actors. The database will also be available to member States so that they can use it to improve their understanding of their ML/TF risks.

296. In achieving the program objectives, GIABA recruited a consultant who developed an online business intelligence database platform with e-form questionnaires and tables that host responses to the questionnaires and report analysis page with charts and graphs (info-graphs) visualized on a dashboard. The platform has been completed and is now domiciled on the GIABA portal and is live. The platform has been under test since July, 2018 and has so far been working smoothly. However, the project team had asked the consultant to add features that are not on the current version, which are not part of the existing TOR but could add value to the database. A new contract will be considered to introduce the new features.

297. In addition to the creation of a database platform, GIABA Secretariat recruited Country Data Officer (CDO) in 2017. A live demonstration of the database platform was made at the GIABA Plenary, which attracted a lot of interest and support. The RTMG recommended that the member States should support and own the SSP before it is fully rolled-out.
298. The steps for rolling out the SSP are as follows:

f) **November 2018**: Finalization of the SSP user manual for both administrators at the Secretariat and the CDOs in member States.

g) **December 201**: GIABA National correspondents to send all replacement for CDOs of their respective countries.

h) **January 2019**: Training workshop for CDOs.

i) **March - June 2019**: Country visits to work with individual CDOs and ensure the establishment of a reliable procedure for data collection.

j) **July 2019 onwards**: Quarterly uploading of data by CDOs and visits by a surveillance team from the Secretariat once a year to validate data collected with the authorities.

299. As an associate member of the FATF, GIABA is required to actively participate in and contribute to the research work of the FATF. In this regard, GIABA actively participated in the 3 FATF RTMG meetings held in 2018. GIABA assisted with the translation of the Concealment of Beneficial Ownership information report of the FATF into French and Portuguese and coordinated various contributions made by its member states to ongoing FATF work. This is in addition to the direct participation of GIABA secretariat staff in ongoing FATF projects.

**Conclusion**

300. The conduct of typologies and other research studies on ML/TF continues to be a critical component of GIABA’s work, not only because it is mandated to do so, but also because of the need to constantly update knowledge and adapt existing measures to the dynamic nature of ML/TF in terms of the evolving risks, methods, and trends. In doing this, GIABA has continued to collaborate with its global partners in order to deepen its interventions in member States.
CHAPTER 5

TECHNICAL ASSISTANCE & TRAINING

Introduction

301. The provision of technical assistance and training to member States by GIABA Secretariat is fundamental for the capacity development of relevant stakeholders on AML/CFT in the countries.

302. In 2018, GIABA technical assistance focused on building the capacity of member States to adequately prepare to undergo the 2nd Round of Mutual Evaluation Assessment. Technical assistance and training programs were also directed at resolving the deficiencies identified in the AML/CFT regimes of member States. The risk based approach underlined the delivery of technical assistance and capacity building programmes. In the course of the year, some training programmes were delivered based on emerging issues at the global level and specific regional peculiarities.

303. A total of one thousand and twenty one (1,021) officials benefited from the various capacity building activities carried out. Also, financial grants were provided to some member States for them to address specific issues in their AML/CFT regimes.

304. The breakdown of participants by targeted sector is presented in Table 5.1 below.

<table>
<thead>
<tr>
<th>PARTICIPATION BY SECTOR</th>
<th>YEAR 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking Sector/Financial Institutions</td>
<td>193</td>
</tr>
<tr>
<td>ECOWAS Institutions &amp; National Offices</td>
<td>1</td>
</tr>
<tr>
<td>Financial Intelligence Units</td>
<td>190</td>
</tr>
<tr>
<td>Government Ministries (Finance, Justice, Interior) &amp; Parastatals</td>
<td>153</td>
</tr>
<tr>
<td>Law Enforcement Agencies</td>
<td>106</td>
</tr>
<tr>
<td>Law Institutions (Judges, Prosecutors, Lawyers, etc.)</td>
<td>19</td>
</tr>
<tr>
<td>Other Fin Institutions (DNFBPs)</td>
<td>63</td>
</tr>
<tr>
<td>Others (Civil Society, Media, NGOs etc.)</td>
<td>197</td>
</tr>
<tr>
<td>Regulatory Authority</td>
<td>139</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,061</td>
</tr>
</tbody>
</table>

Table 5.1: Participation by Sector
In the year under review, the GIABA Secretariat delivered the following technical assistance and training to member States:

305. **Joint GIABA-Egmont Group Regional Training on Strategic Analysis for Financial Intelligence Units (FIUs) - Saly, Senegal, 15-19 January 2018**

306. GIABA, in collaboration with the Egmont Group of FIUs, organized a five-day joint regional training programme on Strategic Analysis for Financial Intelligence Units (FIUs) of Member States in Saly, Senegal, from 15 to 19 January 2018. The workshop was designed to address the technical gaps in strategic analysis and to effectively assist member FIUs in: (i) executing their key mandate, (ii) sustaining AML/CFT efforts at national level and (iii) improving the performance of Member States, particularly with regard to Immediate Outcome 6 under the second round of the Mutual Evaluation exercise (use of intelligence).

307. The key objective of this programme was to strengthen the capacities of member FIUs in the effective conduct of strategic analysis. The specific objectives of the programme were as follows: (i) To strengthen the capacities of member FIUs in developing strategic plans that would help determine the threats and vulnerabilities relating to money laundering and terrorist financing, as well as mapping out policies and targets for FIUs and other entities accountable to AML/CFT; (ii) To equip participants with up-to-date analytical techniques and best practices in the area of strategic analysis; and (iii) To assist member FIUs in meeting international standards in the area of strategic analysis.

308. Thirty-six (36) senior FIU officials in charge of strategic analysis in their various institutions participated in the workshop. Given the fact that the participants were at different levels of technical capacities and knowledge, it was recommended that the training format be substantially improved to accommodate two categories of participants: (i) a module designed for beginners and (ii) another designed for more experienced analysts, in order to optimize every participant’s learning conditions and make the training modules more beneficial to all participants.
309. In continuation of the planned study tour for Judges from superior courts in GIABA member States, the training for the Lusophone member States took place from 29th January to 2nd February 2018, at the Legal Studies Center, Lisbon, Portugal. The study tour was designed to assist the judges to gain practical experience on best practices in the adjudication of cases of money laundering and terrorist financing. Similar study was organized in August 2017 and December 2017 for Judges from superior courts in the Anglophone and Francophone member States, respectively.

310. The study tour was co-financed by the European Union as part of the 10th EDF SAMWA project. A total of nine (9) participants from Cabo Verde and Guinea-Bissau benefitted from this assistance.

311. In collaboration with the Financial Action Task Force (FATF) Training and Research Institute (TREIN), the GIABA Secretariat organized a training that focused on understanding the revised FATF Standards. The objectives of the training were to (i) enable potential assessors acquire a thorough understanding of the requirements of the FATF 40 Recommendations and (ii) improve the skills, capacity and understanding of delegates from key stakeholder institutions responsible for implementing AML/CFT measures, especially their involvement in the discussion and adoption of mutual evaluation reports and follow-up reports at GIABA Plenary meetings.

312. A total number of forty-two (42) participants from law enforcement agencies, prosecutors, FIUs, and regulatory authorities from GIABA member States and the Inter-Governmental Action Group against Money Laundering in Central Africa (GABAC).
313. In line with the decisions at the FATF Global Network on AML/CFT issues (GNCG), a joint GIABA/FATF/GABAC Assessors training was organized to train selected member States participants as Assessors. These trained Assessors would further add to the pool of qualified Assessors capable of conducting mutual evaluation exercises. The training workshop focused on the 2012 Revised FATF Recommendation and the 2013 FATF Methodology and also GIABA 2nd Round Process and Procedures for undertaking mutual evaluation.

314. This training was the third under the 2nd Round of Mutual Evaluation, designed to ensure that assessors are at breast with changes within the FATF methodology as they relate to technical compliance and effectiveness requirements, particularly amendments to some of the 40 Recommendations and their interpretive notes.

315. Fifty (50) Assessors were trained as follows: GIABA member States (33), GABAC member States (12), FATF member States (4), and United Office on Drugs and Crime (1). The delegates were drawn from FIUs, the regulatory/supervisory authorities, law enforcement agencies, and line Ministries (Finance, Justice, and Interior/Security).
typologies exercises by the FATF revealed that Non-Profit Organizations (NPOs) are highly vulnerable to terrorist financing risk and as such countries were enjoined to take appropriate measures to prevent the abuse of the NPO sector. However, the implementation of the FATF Recommendations pertaining to the Non-Profit Organizations (NPO) sector of GIABA member States is challenging. In particular, Recommendation 8 requires member States to review the adequacy of laws and regulations relating to NPOs and then apply focused and proportionate measures on risk sensitive basis to protect the sector from terrorist financing abuse. Unfortunately, the NPO sector in most member States have not been adequately supervised and are at a high risk of terrorist financing abuse.

316. In view of the foregoing, GIABA has taken steps to assist member States in strengthening their capacity to effectively counter terrorist financing and improve supervision and/or monitoring of the NPO sector.

317. The main objectives of the workshop were to i) improve participants’ awareness of the ML/TF issues in the NPO sector and then develop a common understanding among stakeholders in relation to effective and proportionate responses to related TF risk; (ii) discuss relevant international AML/CFT Standards and exchange best practices in the relationship with the NPO sector; (iii) identify gaps in the legal and regulatory framework in the NPO sector within the region; and (iv) strengthen coordination and collaboration between relevant government agencies and the NPO sector. In 2018, about forty four (44) participants from the NPO sector and officials of regulatory and supervisory agencies of the NPO were sensitized and trained. This workshop is a follow up to a similar training organized in Lomé, Togo in June 2017, under the theme “Preventing the abuse of NPOs for terrorism purposes.”

318. The high points of the workshop include the following recommendations by the participants:

- Need to conduct a holistic review of the NPO sector in order to better understand those at risk and apply a risk-based approach to supervision and regulation of NPOs. Similarly, countries that are preparing to conduct national risk assessment should pay special attention to the assessment of the NPO sector in order to have a comprehensive understanding of inherent risk and then apply appropriate measures in addressing the identified risks;
• Ensure that measures taken to protect the NPO sector against misuse for terrorist financing purposes do not interrupt or discourage legitimate charitable activities. Conversely, such measures should promote human rights, transparency and build confidence in the sector;

• Need to strengthen or set up a competent authority responsible for the monitoring and supervision of NPOs and also ensure the establishment of clear procedures to respond to international requests concerning NPOs suspected of financing terrorism;

• Mobilize and involve NPOs in national risk assessment at an early stage to ensure that they understand the objective, expectations and scope of the process, and that they are well equipped to participate in the mutual evaluation process;

• Strengthen regional cooperation within the framework of the Regional Forum of AML/CFT CSOs in order to facilitate the exchange of experiences, sharing of best practices within the sector, and also strengthen coordination with GIABA in support to regional efforts to combat money laundering and the financing of terrorism;

• Sustain GIABA’s technical support and undertake an advocacy visit to the national authorities to reiterate the need for countries to develop a centralized electronic database on NPOs.

Regional Workshop on Investigation and Prosecutions of Corruption Offences – Niamey, Niger, April 9 – 12, 2018

320. An Effective AML/CFT regimes is predicated on adequacy of prosecution and conviction of money laundering and terrorist financing cases. This informs the need for member States to have in place legal framework to facilitate an increase in prosecution and conviction of ML/TF cases. The workshop was designed to: i) sensitize participants on international developments in the fight against corruption, particularly the United Nations Convention Against Corruption (UNCAC) and best practices in the fight against corruption; ii) strengthen the skills and capacity of relevant criminal justice officials to effectively investigate and prosecute corruption-related cases; iii) provide a forum for participants to share experiences on the status of implementation of anti-corruption initiatives, including the challenges encountered in the investigation and prosecution of corruption cases in their countries; and iv) promote cooperation and coordination among the competent authorities in the region on issues relating to investigations and prosecution ML/TF cases.
321. About thirty (30) participants from judicial services, prosecuting and anti-corruption agencies in GIABA member States attended the workshop. The following recommendations, among others, were made by the participants:

• Improvement in national cooperation among stakeholder agencies to strengthen the fight against corruption and money laundering;

• Promotion of the specialization of investigative and prosecutorial authorities in the fight against corruption and money laundering;

• Provide appropriate and adequate tools for investigation and prosecution agencies to ensure an effective fight against corruption and money laundering;

• Strengthen international cooperation among member States to improve the investigation and prosecution of money laundering cases and corruption within the region, including the signing of bilateral and multilateral Memoranda of Understanding;

• Pass laws criminalizing bribery of foreign public officials and corruption in the private sector and ensure the successful conduct of investigations and prosecutions against all perpetrators of such offences;

• Remove the immunity privileges of all government leaders and officials, including, but not limited to, the Presidents/Heads of Government of GIABA member States, Governors, Parliamentarians and the Judicial Officials to ensure equality for all before the law;

• Enact laws to protect witnesses and whistle blowers thereby facilitating availability of information on ML/TF cases.
GIABA-EU Regional Project – Train the Trainer Workshop for Financial Institutions and Designated Non-Financial Businesses and Profession (DNFBPs), the Judiciary, and Law Enforcement Agencies – Somone, Senegal, June 18 – 22, 2018

322. In order to increase the delivery of capacity building programs to member States under the 10th European Development Fund (EDF) – Strengthening Anti-Money Laundering Capacities in West Africa (SAMWA) Project, GIABA engaged consultants through a competitive bidding process to develop two training curriculum for law enforcement/prosecution authorities and financial institutions/DNFBPs. Upon completion of the development of the curriculum, a train-the-trainer workshop was held in two streams:

i. Stream One – Train-the-Trainer Workshop for FIs and DNFBPs, Somone, Senegal – June 18 – 20; and


323. Stream one saw the training of eight (8) trainers from The Gambia, Guinea, Guinea Bissau, Liberia, and Sierra Leone who are to replicate the training to beneficiaries in their country, thirty nine (39) trainers from Benin, Burkina Faso, Cabo Verde, Côte d’Ivoire, Ghana, Mali, Niger, Nigeria, Senegal and Togo were trained under stream two. It is envisioned that this training would further enhance the capacity of beneficiary member States in AML/CFT.

GIABA Mutual Evaluation Pre-Assessment Training for member States under the 2nd Round of Mutual Evaluations, Bamako, Mali, July 2 – 5; Cotonou, Benin, July 9 – 12; Abuja, Nigeria, October 2 – 5; Freetown, Sierra Leone, October 24 – 26

324. GIABA conducts Mutual Evaluation exercises to determine the level of compliance of member States with the Financial Action Task Force (FATF) Recommendations. The mutual evaluation enables GIABA and its development partners to determine the type of technical assistance required by member States to improve their AML/CFT regimes.

325. Prior to the on-site visit to member States, GIABA organizes a pre-assessment training to assist national authorities to understand their roles in the mutual evaluation process and inform and sensitize national stakeholders on the significance of the exercise. The pre-assessment training also provides stakeholders with the guidance on how to complete the Technical Compliance Questionnaire, and on the process, procedures and expectations of the mutual evaluation on-site exercise.

326. Thus, in 2018 GIABA organized four (4) pre-assessment trainings for Mali, Benin, Nigeria and Sierra Leone in view of their mutual evaluation on-site visits scheduled for 2019. A total number of two hundred and sixteen (216) participants were trained; Mali (40), Benin (49), Nigeria (73), Sierra Leone (54).

National Sensitization Conference for Religious Leaders and Religious Organizations on AML/ CFT, Accra (Ghana) and Niamey (Niger), July 18 - 19, 2018

327. Activities of Faith-based institutions appeal to the emotions of their followers. Thus, as guardians of the faith, religious leaders and their institutions hold tremendous sway amongst their followers. Places of worship can be used as conduit for money laundering and terrorist financing, as most religious organizations receive unknown sources of finances from their members and in most cases are not under any form of obligation to report suspicious transactions to competent authorities. Also, religious centres could be misused for the purpose of radicalization.

328. Recognizing the role of religious leaders in preventing violent extremism (PVE) and promoting the religious dimension of intercultural dialogue, the United Nations Secretary General enshrined in its Plan of Action on PVE the importance for faith and community leaders to mentor “vulnerable followers so as to enable them to reject violent ideologies” and promote “tolerance, understanding and reconciliation among communities”.
329. In view of the foregoing, GIABA organized the maiden conference for Religious leaders in Nigeria and Mali in 2017. The initiative was well commended and the feedback from participants was extremely positive and participants requested that GIABA to replicate the conference in all member States and to ensure that a substantial number of AML/CFT stakeholders are trained within their countries and regionally as most religious leaders are not aware of ML/TF. Thus, in 2018, two (2) National Conferences on the contribution of religious leaders and religious organizations to AML/CFT were organized concurrently from 18 to 19 July, 2018 in Niamey, Niger and Accra, Ghana respectively. A total of eighty two (82) participants were sensitized through the conference on their AML/CFT roles.

330. Under the SAMWA (EU) Project, FIU expert visit to Benin, Cabo Verde, Ghana, and Togo were undertaken to build the capacity of the FIUs on information and intelligence gathering, data collection and management, strategic intelligence analysis and current analytical techniques/best practices in strategic analysis. The Secretariat organized a national training for FIUs and a total number of fifty four (54) participations were trained on varying strategic analytical techniques.

331. The reports of the FATF/GIABA/GABAC Terrorist Financing Typologies exercise of 2013, NFIU typologies and the Nigerian NRA reports indicated that FIs and DNFBPs can/ are being used by terrorist organizations as a conduit to finance their activities. Thus, it became expedient to build the capacity of reporting entities in Nigeria, to enable them to comply with international AML/CFT standards and to strengthen collaboration among reporting entities in order to reduce financial flows of the terrorist groups (Boko Haram; etc.) operating in Nigeria.

332. Specifically, the workshop raised the awareness of seventy (70) participants from FIs and DNFBPs on the vulnerabilities of their structures and the impact of TF on the Nigerian economy.
The workshop was jointly organized by the African Development Institute of the African Development Bank Group (AfDB) and GIABA, and targeted Francophone African Parliamentarians from Algeria, Benin, Burkina Faso, Cameroon, Central African Republic, Comoro Islands, Congo-Brazzaville, Côte d’Ivoire, Djibouti, Gabon, Democratic Republic of Congo-Kinshasa, Senegal, Togo and Tunisia. The workshop was designed to sensitize these participants on the scope, manifestations and impact of the IFFs on the development of Africa; challenges of combating IFF in Africa; and the roles and responsibilities of parliamentarians in combating IFFs, including passing of the main recommendations of the High Level Panel Report on IFFs adopted in 2015 (The Thabo MBEKI Report) into laws tailored to the specific needs of their countries. Discussions also focused on information on beneficial ownership, asset recovery, transfer tariffs abuse as well as best practices adopted by experts and practitioners in African countries to combat illicit funds flows.

About 40 Parliamentarians and several regional experts participated at the Workshop. The Parliamentarians reiterated their commitment to the issues discussed and pledged to be more involved in finding lasting solutions to the problem of combating illicit funds flows from Africa.

GIABA, under the SAMWA Project, organized a Regional Capacity-Building Workshop for Law Enforcement Officers on the Structure, Investigations and Techniques of Seizure, Freezing, Confiscation, Collection and Management of Proceeds of Criminal Assets under the Security Council Resolutions, Abuja, Nigeria, October 8 - 11, 2018

About 60 (sixty) participants from GIABA Member States attended the workshop, drawn from the Ministries of Finance, Interior and Justice, Law Enforcement Agencies, specialized investigative authorities and Financial Intelligence Units.
The objectives of the workshop were to:
i) assist member States to put in place an effective asset confiscation system in line with their obligations under the relevant UNSCRs; ii) improve stakeholder awareness on the problem of assets amassed by corrupt leaders at national level; iii) examine the legal framework in force for the recovery of stolen assets; iv) review the UNCAC, World Bank and UNODC StAR Initiative documents and assess their implications for the region; v) identify the roles and responsibilities of various stakeholders in the management of stolen assets; vi) promote coordination among the national entities involved in asset freezing; vii) promote and strengthen the international and regional cooperation required to ensure a rapid response to foreign requests for asset confiscations.

The first Regional Conference organized by GIABA on Combating Money Laundering in the Maritime Sector was held in Freetown, Sierra Leone, from 24th to 26th October, 2018.

The programme was designed to enhance the capacity of participants to analyze money laundering in the maritime sector, and improve the level of compliance of financial institutions and those operating in the maritime sector, as well as reduce the vulnerability of this sector to money laundering and terrorist financing.

It is expected that in the long term, the programme will contribute to securing the Gulf of Guinea against fraudulent activities in the maritime sector, thereby boosting regional trade and reducing the vulnerability of economies to illicit activities.

About fifty (50) participants took part in the programme, drawn from Investigation and Prosecution Agencies, Customs and Excise as well as Tax Administration Authorities, Port and Maritime Authorities, the private sector operating in the maritime sector, FIUs and banks.
Joint Regional Meeting of Chief Compliance Officers of Financial Institutions/DNFBPs and Competent Authorities on Emerging Money Laundering & Terrorist Financing Issues – Lomé, Togo, November 27 – 30, 2018

342. The outcomes of the first round of mutual evaluations of GIABA member States emphasized the need for further collaboration and coordination between the financial institutions and regulatory bodies. Thus, it became necessary to bring the critical players in the financial and DNFBP sectors together to discuss: (i) ways of enhancing partnership and cooperation for an effective implementation of AML/CFT preventive measures, and (ii) contemporary and emerging AML/CFT issues that impact on AML/CFT compliance in the financial and DNFBP sectors.

343. The key objectives of the programme were to enhance collaboration and cooperation: (i) between the regulatory authorities and financial/DNFBP sectors operators (Directors in charge of supervision and/or AML/CFT regulation from regulatory authorities and Chief Compliance Officers with responsibilities for AML/CFT implementation in the financial and DNFBP sectors), and (ii) amongst regional Chief Compliance Officers, in order to facilitate effective implementation of AML/CFT measures in the member States.

344. The regional meeting was attended by one hundred and sixty five (165) participants from financial institutions, DNFBPs, regulatory and supervisory authorities, law enforcement agencies, and the financial intelligence units. The meeting concluded with further commitment to foster stronger cooperation and interactions. A highpoint of the forum was the formal installation of the Executives of The Regional Chief Compliance Officers Association and the GIABA Private Sector Consultative Forum. The following persons were elected as officers:
### Positions in the Forum Executive

<table>
<thead>
<tr>
<th>SN</th>
<th>Positions in the Forum Executive</th>
<th>Name</th>
<th>Designation</th>
<th>Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chairman / President</td>
<td>Pattison Boleigha</td>
<td>Chief Conduct &amp; Compliance Officer</td>
<td>Access Bank</td>
</tr>
<tr>
<td>2</td>
<td>1st Vice President</td>
<td>Idrissa Diop</td>
<td>Group Head, Compliance</td>
<td>Ecobank Transnational Incorporated</td>
</tr>
<tr>
<td>3</td>
<td>2nd Vice President</td>
<td>Tavares Igualdino</td>
<td>Chief Compliance Officer</td>
<td>Banco Interenational</td>
</tr>
<tr>
<td>4</td>
<td>Secretary</td>
<td>Abdou Rahmane Diop</td>
<td>Chief Compliance Officer /Head of Compliance &amp; Permanent Controls</td>
<td>Credit Du Senegal designination</td>
</tr>
<tr>
<td>5</td>
<td>Financial Secretary / Treasurer</td>
<td>Ben Ndego</td>
<td>Senior Compliance and Risk Manager for Africa,&amp; MLRO, Nigeria</td>
<td>Travelex, Worldwide Money</td>
</tr>
</tbody>
</table>

Group photograph of participants at the Joint Regional Meeting of Chief Compliance Officers of Financial Institutions / DNFBPs and Competent Authorities on Emerging Money Laundering & Terrorist Financing Issues – Lomé, Togo, November 27 – 30, 2018
GIABA and the ECOWAS Gender Development Center (EGDC) organized the Second Joint Regional Forum on the Gender and Youth Dimensions and the Involvement of Vulnerable Groups in Economic and Financial Crime in West Africa at the Palm Beach Hotel, Saly, Senegal, December 17 - 19, 2018.

The main objective of the Forum was to bring together key stakeholders in ECOWAS member States to share knowledge, experiences and best practices, and to build consensus on the way forward in the elaboration of a comprehensive framework to mainstreaming gender and youth perspectives into the fight against transnational economic and financial crime and other related issues in West Africa.

The Forum was attended by 60 representatives drawn from relevant Government Ministries, Departments and Agencies, Youth Groups, Civil Society Organizations (CSOs) and the media in ECOWAS member States. The Forum was delivered through plenary sessions, a panel discussion and break-out sessions.

The outcome of the Forum was a communique highlighting key issues within ECOWAS region affecting gender mainstreaming in AML/CFT, as well as recommendations made to member States’ governments and ECOWAS. An Action Plan is being developed to engage member States for the implementation of the recommendations.

Conclusions

In general, there is remarkable improvement in the level of understanding of the FATF Standards in the region partly due to the capacity building programmes by GIABA.

The end-of-programme evaluations revealed new areas of focus. Thus, in the coming years, there will be paradigm shift in program management in terms of design, delivery process, scope and coverage to facilitate full ownership by member States.
CHAPTER 6
COMMUNICATION, ADVOCACY AND COMMUNITY OUTREACH

Introduction

350. In 2018, GIABA Communications team went through a new phase of changes in operational structure meant to strengthen its operations and enhance the delivery of its mandates. It is worthy of note that the team is housed in three locations - the Communication Unit at the GIABA Headquarters in Dakar and the Two Information Centres, one located in Lagos, Nigeria and the other in Abidjan, Cote d’Ivoire. The team is charged with the responsibility of mobilizing stakeholders, building partnerships, sensitization and awareness raising/outreach, corporate communications/social affairs and publicity of GIABA related programme activities.

351. In the year under review, the Director General of GIABA, Justice Kimelabalou ABA, undertook high-level advocacy missions to high authorities of some member States. The Information Centres, in line with their mandate, also engaged in medium level advocacy and outreach engagements with stakeholders to raise awareness and increase stakeholders’ involvement in the AML/CFT.

352. The year saw more engagements and strengthening of the existing partnerships with the Civil Society including the media, youths and students. GIABA has also increased its visibility on the social media platforms, exploring the platforms on a wider scale and reaching out to more stakeholders to inform them of GIABA activities and enlightening the public on the menace of money laundering and terrorist financing. The use of other platforms of communication like newsletters, press releases and media engagements increased in 2018.

353. The Director General of GIABA, having assumed office on the 1st of March 2018, engaged in high-level advocacy missions to engage with national authorities. The visits were a demonstration of GIABA’s commitment to supporting member States in their efforts to strengthen their AML/CFT regimes.

Director General’s High-Level Advocacy Missions

354. In line with the recommendations of the 28th and 29th GIABA Technical Commission/Plenary and 18th Ministerial Committee meetings, the Director General led a high-level advocacy mission to Nigeria from 6 to 8 August 2018. The mission’s objective was to engage the country’s high political authorities on the prospects for the adoption of the pending Bills that should lead to the lifting of the NFIU’s suspension from the Egmont Group, and to inform the Nigerian authorities of the preparations for the second round of mutual evaluation and discuss on the country’s membership of the FATF.

355. The Nigerian Authorities informed the mission that the country had addressed the key challenge regarding the Financial Intelligence Unit (FIU) by enacting the 2018 Law on the independence of the Financial Intelligence Unit. Furthermore, Nigeria’s National Assembly passed the law on the proceeds of crime, which is awaiting Presidential assent. In addition, the Bill on Mutual Legal Assistance has been adopted by the lower chamber of parliament.
pending its ratification by the upper chamber. Consistent with the FATF Recommendations, the National Strategy and Action Plan against Money Laundering and Terrorist Financing (AML/CFT) stemming from the national risk assessment conducted by the country, was approved by the Federal Executive Council and is being implemented.

356. With regard to the UNSCRs 1267 and 1373, Nigeria has put in place and launched the Sanctions Committee, which will serve as a mechanism for the implementation of the requirements of targeted financial sanctions. Finally, regarding efforts aimed at depriving criminals of the proceeds of their crime, Nigeria has established a Unit responsible for the recovery and management of criminal assets within the Federal Ministry of Justice, which now serves as the coordinating body for asset recovery and the management of all recovered assets.

357. The GIABA Mission commended the Nigerian Authorities for the remarkable progress achieved, which will help in the lifting of the NFIU’s suspension from the Egmont Group. During the visit, the GIABA Delegation met with The Hon. Minister of Justice and the Attorney General of the Federation, the Acting Governor of the Central Bank of Nigeria and staff of the Office of the Vice President of the Federal Republic of Nigeria.

His Excellency, Mr. Abubakar Malami, Attorney General and Minister of Justice of the Federal Republic of Nigeria; Justice Kimelabalou Aba, DG of GIABA flanked by members of the GIABA delegation, staff of NFIU and staff of Ministry of Justice, at the Ministry of Justice, Abuja, Nigeria, August 6, 2018
Medium-Level Advocacy and Sensitization Missions

358. The Lagos Information Centre (LIC) was formally opened in April 2011 following the approval of the ECOWAS Council of Ministers in 2010. The Lagos Centre covers the five ECOWAS English speaking countries - Gambia, Ghana and Liberia, Nigeria and Sierra Leone. Part of its responsibility is to conduct outreach and implement AML/CFT activities, relative to its mandate, at the grass root level, across the region and to engage stakeholders.

359. Within its available resources, the Centre has engaged various stakeholders within its coverage area in order to create awareness and increase the impact of GIABA’s interventions. It is therefore, in fulfilment of this mandate that the LIC carried out several advocacy and sensitization activities in order to increase awareness of AML/CFT issues among stakeholders in Nigeria and increase the visibility of GIABA as a regional reference institution on AML/CFT.

360. The Centre’s activities included sensitization of key agencies of government, engagement with financial institutions, law enforcement agencies, and higher institutions of learning, amongst others. The following organizations were sensitized and reached out to:

The Nigerian Police - June 20, 2018

361. The police remains the first point of contact for almost all crime reports. As the foremost law enforcement agency, on the 20th of June, 2018, the LIC visited the Commissioner of Police in charge of Lagos State, Mr. Edgal Imohimi, at the state command Headquarters in Lagos. The LIC team, in company of some GIABA partners, including Civil Society Organizations and representative of the media, met the State Police Commissioner.

362. The team sensitized the leadership of the command on the negative consequences of money laundering and terrorist financing and discussed on possible areas of collaboration, including information sharing and data analysis of relevant AML/CFT predicate offenses. The LIC team shared GIABA publications and awareness material with the command. The Commissioner reiterated the commitment of the Police to continue to work with GIABA and all other stakeholders in countering ML/TF.

The Nigerian Immigration Service (June 28, 2108)

363. Immigration officers are very essential in the area of borderer control. Considering that ML/TF are trans-national organized crimes, cross-border criminal activities, Officials responsible for border control are very relevant to the AML/CFT drive. It is in the light of this that on the 28th of June, 2018, GIABA engaged the leadership of the Nigerian Immigration Service, as the leading border control agency in Nigeria. Having regard to the fact free movement in central to the integration agenda of ECOWAS, there is the need to sensitize and expose the officials to the emerging trends in ML/TF.

364. The LIC Manager, Mr. Timothy Melaye, led the GIABA team to engage with the Immigration officials, led by Mr. E.S. King, Comptroller of Immigrations, Lagos State Command. The management team of the Command was enlightened on the relevance of AML/CFT to their work and the role they have to play to support the ongoing efforts by Nigeria to strengthen its AML/CFT regime. GIABA publications and awareness materials were shared with the officials of the command. The Comptroller of the Command commended GIABA for its work and pledge the commitment of the Service to work with GIABA. The officials requested that GIABA should involve their boarder staff in the training for law enforcement officers in order to enhance their knowledge and understanding of the subject matter.

Visit to the Protocol Directorate of the Federal Ministry of Foreign Affairs located at the Murtala Mohammed International Airport, Lagos (June 29, 2018)

365. The Airport, and in particular the Very Important Personality (VIP) section, is potentially a vulnerable point that can be exploited to facilitate money laundering. Therefore, the LIC considered it very important that officials at the protocol unit of the Murtala Mohammed International Airport (MMIA), Lagos, are fully aware of the negative consequences of Money Laundering and Terrorist Financing.
366. On the 29th of June, 2018, the LIC team undertook an advocacy and sensitization visit to the protocol Unit and was received by Mr. Dayo Adeoye, Director of Protocol, at the VIP section of the MMIA. The Protocol staff were sensitized on the vulnerabilities of border post and the negative consequences of ML/TF. The Director was glad to learn more about GIABA and its good work, made commitment to continue to be an advocate and mobilize the office in the same direction. GIABA publications were shared with the Director and his staff.

The Economic and Financial Crimes Commission (EFCC) July 4, 2018

367. The EFCC is the lead institution in the fight against financial crimes in Nigeria. Over the years, the organization has performed its function creditably in confronting corruption, advanced fee fraud (419), money laundering and other economic and financial crimes in Nigeria. The LIC team paid a sensitization and advocacy visit to the Lagos Zonal Office of the Commission.

368. During the Visit, the Information Manager of the LIC, Mr. Tim Melaye, addressed the staff of the zone on the negative consequences of ML/TF and the important role GIABA is playing to address the challenges posed by ML/TF in the region. Mr. Tim sought the continuous collaboration of the organization with GIABA and assured the officials that GIABA will continue to work together with them towards fulfilling the mandate of both organizations.

369. Mr. Akaninyene Ezima, Head of Operations, EFCC, Lagos Zonal office, welcome commended the team for the visit and the knowledge shared, he expressed satisfaction with GIABA’s previous supports and advocated for GIABA to continue to work with the commission to address the challenges of corruption and financial crimes not only in Nigeria but across the region. Following the engagement, GIABA participated in the campaign walk to raise awareness on the ills of corruption, which took place at Lagos Island, Lagos Nigeria.

The Nigerian Institute of International Affairs (NIIA) July 4, 2018

370. Professor Fred Agu, Acting Director of Research of NIIA, received the LIC team on behalf of the Director General of NIIA, who was unavoidably absent. The staff and interns at the institute were gathered for the visiting team to share information on AML/CFT with them, sensitize them on the negative consequences of ML/TF and the need for everyone to take ownership and support the fight against ML/TF.

The University of Lagos: (July 12, 2018)

372. Higher Institutions of learning are grooming grounds for young people, at the same time, young people are highly vulnerable and sometimes they can be lured into crime, including ML/TF. On the other hand, AML/CFT remain relatively an emerging area, which makes it imperative for higher institutions, as knowledge centres, especially universities, to work to advance research and deepen knowledge on ML/TF as a contribution to the efforts being made to counter the twin scourges.

373. It is the pursuit of these dual objectives - that LIC team paid an advocacy visit to the leadership of the University of Lagos. The LIC Manager, who led the team, explained the purpose of the visit and the mandate of GIABA to the University’s Vice Chancellor, Professor Oluwatoyin Ogundipe, and his management team. The team was well received by the university management, who committed to awareness creation and possible advancement of research and knowledge in the field of AML/CFT within the university academic agenda.

374. They proposed that GIABA leadership should consider signing MoUs to advance
partnerships in research and developing AML/CFT curriculum for higher institutions. The team shared GIABA publications and publicity materials with the University management.

Workshop on Awareness Raising, AML/CFT Legislation, preparation for the National Risk Assessment, National Strategy and the conduct of the Mutual Evaluation. Abidjan, Côte d’Ivoire, June 6, 2018

375. Following an invitation by the National AML/CFT Policy Coordination Committee, the Abidjan Information Centre (AIC) Manager attended the opening ceremony of the workshop on awareness raising and on the revised AML/CFT legislation and Preparations for the conduct of national risk assessment, development of national strategy and conduct of mutual evaluation.

376. The objective of the workshop was to raise awareness and strengthen the capacity of stakeholders, as a prelude to the commencement of the national risk assessment, in order to develop a comprehensive AML/CFT national strategy, which is a precondition for the success of the mutual evaluation of Côte d’Ivoire in 2021.

377. The involvement of the CIA in the workshop has reaffirmed the support of the Director General of GIABA for AML/CFT national initiatives. It also allowed the Centre Manager to engage and inform the participants about the mandate of Centre and to appreciate their expectations.

Awareness-raising and sensitization workshop on the harmful effects of money laundering and corruption. Abidjan, September 13, 2018

378. As part of the implementation of the project entitled «Combating money laundering through multi-stakeholder approaches in Côte d’Ivoire», an NGO, Initiative for social Justice, transparency and good governance operating in Côte d’Ivoire, invited the CIA to take part in an awareness and sensitization workshop on the adverse effects of money laundering and Corruption, which took place in Abidjan, on 13 September 2018.

379. This activity, which recorded the participation of representatives of civil society organizations in Côte d’Ivoire, the media and the RE-J-ABA (African Youth Network for the fight against money laundering), was an opportunity for the Centre Manager to make a presentation on the role, mandate and activities of GIABA.

GIABA’s Financial and Technical Support to Youth Association- RE-J-ABA to organize a public lecture in Abidjan, Côte d’Ivoire, 16 October 2018

380. As part of the support for stakeholders to raise awareness in society on the dangers of ML/TF, GIABA, through its Abidjan Information Centre, provided technical and financial support to the African Youth - Combating Money Laundering (RE-J-ABA) for the organization of a Public Lecture in Abidjan, Côte d’Ivoire, on «The Challenges facing the African Youth in the face of the scourges of Illegal Migration and Money Laundering».

381. This Public Lecture, facilitated by national AML/CFT Experts, including the Côte d’Ivoire-FIU and the High Authority for Good Governance (HABG), was attended by about 200 youths from Universities, Institutions of Higher Learning and Colleges in Abidjan. The presentations delivered focused on the magnitude and consequences of ML/TF and attracted the interest of the youths to AML/CFT issues. The resource persons used that opportunity to increase the knowledge of participants on the consequences of ML/TF, as well as the instruments designed to combat these scourges at international, regional and domestic levels.

382. Furthermore, the event provided an opportunity for the Information Centre to deliver a presentation on GIABA’s role, mandate and activities. It also provided an opportunity to promote the Institution’s visibility with the target audience using the available publicity items as well the coverage provided by the national print and electronic media, which comprehensively projected the role and mandate of GIABA as a specialized Institution of ECOWAS in charge of strengthening the capacities of member States in the prevention and countering of ML/TF.
Partnership Building and Media mobilization: Advocacy visit to the Director General of Ivorian Radio and Television - RTI, 19 June 2018

383. On Tuesday, 19 June 2018, a team from the CIA undertook a visit to the Ivorian Broadcasting and Television (RTI) and met with its Director General, Mr. Ahmadou Bakayoko. The purpose of the visit was to maintain regular contact between the information Centre and media officials, to seek their continued support in promoting the activities of GIABA and to raise awareness among stakeholders at AML/CFT and to promote discussion on the possibility of designating a focal point for the activities of the Centre by RTI.

384. The Director General of RTI welcomed the visit and reiterated his readiness to support Centre’s awareness-raising activities. The focal point was also designated by RTI subsequent to the request made during the visit. The designated focal point had in 2017 reported on some activities of GIABA for the RTI.

Regional Sensitization Workshop on AML/CFT Requirements for Civil Society Organizations (CSOs), Praia, Cabo Verde, 5 - 7 September 2018

387. As part of its ongoing efforts to strengthen partnership with CSOs in the fight against ML/TF, a Regional Sensitization Workshop on AML/CFT was held in Praia, Cabo Verde, from 05 to 07 September, 2018. The Civil Society remained a strong partner in the fight against Money Laundering and Terrorist Financing. Therefore, annually GIABA holds a regional meeting to train and strengthen the Civil Society as they continue to engage in this very important social service and advocacies around ML/TF;

388. This was the sixth (6th) Regional Programme to sensitize CSOs on AML/CFT issues in the sub-region. At the end of the workshop, GIABA committed them to: actively engage in disseminating information on AML/CFT at the grassroots level; establish links and a stronger network of CSOs engaged in sharing experiences and knowledge; to take ownership of AML/CFT efforts and organize dialogue sessions between political stakeholders and CSOs for concerted action that will result in reduction in these twin scourges.

West Africa: Courtesy call on CRESMAO Acting Director, 9th August 2018

385. In order to establish good relationship between the CIA and ECOWAS organizations, the Manager of the CIA paid a courtesy visit to the Acting Director of the West African regional Maritime Security Centre (CRESMAO) based in Abidjan (Ivory Coast). The Ag. Director was reminded of the mandate of GIABA its mandate, its role and activities in the fight against financial crime in the ECOWAS region.

386. The Director welcomed the visit by the Centre team and expressed the wish for CRESMAO to participate in one of GIABA’s Plenary meetings in the near future, considering the close links between the ML/TF and Maritime criminality. Copies of GIABA’s reports were shared with the Acting. Director.

National Sensitization Workshops for religious leaders and religious organizations on AML/ CFT, Accra, Ghana) and Niamey, Niger, 18-19 July, 2018

389. Two National Workshops on the contribution of religious leaders and religious organizations to AML/CFT were organized simultaneously on 18 and 19 July, 2018 in Niamey, Niger (40 participants) and Accra, Ghana (42 participants). The organization of these national programmes was a continuation of the program, which was started in 2017 by GIABA in Mali and Nigeria, which had a favourable response from religious stakeholders, who strongly recommended that GIABA should regularly organize such activities.
This approach is in line with the UN Secretary-General’s Action Plan which focuses on the need for religious and community leaders to mentor their vulnerable followers in order for them to reject violent ideologies and promote tolerance, dialogue and embrace peaceful coexistence in communities. Participants were made aware of the dangers of radicalization and violent extremism, as well as the risk of abuse by non-profit organizations for ML and TF purposes.

Conclusion

GIABA, in no small measure has increased AML/CFT visibility in the year 2018, the Institution has continued to engage more stakeholders and the general public, in order to bring the message of AML/CFT to all. The information products of the Institutions were disseminated via several communication channels in the year under review. Production of quarterly newsletters continued with both soft and hard copies disseminated to stakeholders. In the coming year, the team plans to produce the newsletters more frequently and to circulate online in order to reach wider audience and will ensure that the content is more current. Press releases were disseminated and media interviews granted throughout the year. Several publicity materials and GIABA branded souvenirs were also shared to large number of stakeholders. This has helped to continue to make GIABA’s messages available to the public, create the required visibility for GIABA and ensured continuous public buy-in and ownership. In addition to training and sensitization programmes, GIABA has engaged in outreach programmes that have helped to raise awareness on the negative consequences of ML/TF and the need for citizens to support the AML/CFT efforts of governments in the region.

Communication of SAMWA Project and visibility in the Year 2018

The Communication team worked within the framework of the SAMWA project to create visibility for the project and GIABA. The team also worked with external consultant to maintain the project website in order to inform the public about the activities being carried out under the project. In line with the Communication plan of the project, publicity materials were produced (branded pens, folders, lanyards etc.), press releases were disseminated and press reviews were carried out. As the project is about to end, the team has commenced collation of information products on the project for proper documentation and dissemination.
Adopting, implementing, and enforcing internationally accepted anti-money laundering and combating the financing of terrorism (AML/CFT) standards require effective cooperation and partnership amongst critical stakeholders at all levels. In this regard, the GIABA Secretariat consolidated on its engagement with the European Union under the SAMWA project, as well as collaborated with other partners to strengthen regional and global alliances against ML/TF, and to enhance the capacity of member States for effective implementation of AML/CFT regime in the region. Overall, GIABA strategic and technical partnership in 2018 contributed greatly to improving its effectiveness, facilitated coordination in regional AML/CFT efforts, enhance technical support to member States, minimizes duplication in the provision of technical assistance in the region, and contributed to the efficient management of available resources.

The details and outcome of activities undertaken by the Secretariat to strengthen regional integration and cooperation with its partners during the review period are summarized below:

GIABA STATUTORY MEETINGS

The 29th and 30th Technical Commission/Plenary Meetings of GIABA were held in May and November 2018, respectively, to discuss progress made by member States in the implementation of AML/CFT measures. The meetings discussed technical reports presented by the GIABA Secretariat, follow-up reports submitted by member States, and GIABA research and typologies studies. In addition, the MER of Senegal was discussed and adopted. Similarly, the 19th GIABA Ministerial Committee meeting was held in November 2018 to consider and approve the MER of Senegal, reports of the 29th and 30th Plenary meetings and other issues presented to it.

Highlights of the GIABA 29th and 30th Technical Commission/Plenary Meetings are presented below.

29th Technical Commission (TC)/Plenary Meetings, Somone, Senegal, 7th –11th May 2018

The 29th Technical Commission / Plenary Meeting of GIABA was held from 7th to 11th May,2018, at the Royal Horizon Baobab Hotel, Somone, Senegal. Meetings of the Evaluation and Compliance Group (ECG), the Risk Trends and Methods Group (RTMG), as well as the 12th meeting of the Forum of Financial Intelligence Units of GIABA member States, and 5th meeting of SAMWA Steering Committee were held as part of the preliminary meetings leading to the 29th Technical Commission / Plenary Meeting.

29th Technical Commission (TC)/Plenary Meetings, Somone, Senegal, 7th –11th May 2018

The 29th Technical Commission / Plenary Meeting of GIABA was held from 7th to 11th May,2018, at the Royal Horizon Baobab Hotel, Somone, Senegal. Meetings of the Evaluation and Compliance Group (ECG), the Risk Trends and Methods Group (RTMG), as well as the 12th meeting of the Forum of Financial Intelligence Units of GIABA member States, and 5th meeting of SAMWA Steering Committee were held as part of the preliminary meetings leading to the 29th Technical Commission / Plenary Meeting.

The Plenary considered the recommendations of the ECG on the Follow up Reports of Sao Tome & Principe, Benin, Nigeria, Sierra Leone, Togo, Comoros, Guinea Bissau and Ghana in relation to the progress made in resolving the deficiencies identified in their Mutual Evaluation Reports (MERs) and took a number of decisions aimed at enhancing their AML/CFT systems and compliance with international standards. Specifically, the Plenary maintained São Tomé and Príncipe on the Expedited Regular Follow-up process and directed the country to submit its next follow-up reports in May 2019. Nigeria’s exit from the follow up process was suspended and the country was placed on Enhanced Follow up
process and directed to present its 11th FUR to the Plenary in November 2018. Similarly, Guinea Bissau and The Union of The Comoros were retained on the Enhanced Follow-up process and directed to submit their reports to the Plenary in November 2018. Ghana was retained on the Enhanced Follow-up process with some re-rating approved for some of the Recommendations and directed to submit its 2nd FUR to the Plenary in May 2019. In view of Benin’s and Sierra Leone’s mutual evaluation onsite visits scheduled for February and July 2019 respectively, the Plenary approved the exit of the countries from the follow-up process to enable them adequately prepare for their mutual evaluation.

399. The 29th Technical Commission/Plenary Meeting also adopted the Secretariat’s memorandum on the Revised GIABA Process and Procedure (P&P) and the revised 2nd Round of Mutual Evaluation calendar. The P&P document was amended following revision to the FATF Universal Procedures while the changes to the calendar was owing to the re-scheduling of the on site visit to Nigeria and to accommodate issues relating to translation of draft MERs. Also, the DG’s Summary Report and report of the RTMG were presented to the Plenary and adopted.

400. With regard to the 12th meeting of the Forum of Financial Intelligence Units of GIABA member States, and SAMWA Steering Committee Meetings, the key outcomes of the meetings are highlighted in the later part of this chapter.
The 30th Technical Commission (TC)/Plenary Meetings, Banjul, The Gambia, 11-16 November, 2018

401. The 30th Technical Commission/Plenary Meeting was held at the Kairaba Beach Hotel, Banjul, The Gambia from 11th to 16th November, 2018. Amongst other things, the Plenary discussed and took decisions on following issues:

- The ECG report, covering Senegal’s 2nd round MER and Follow-up Reports (FURs) of Comoros; Cote d’Ivoire; Gambia; Guinea; Guinea Bissau; Liberia; Niger; Nigeria; and Togo.
- DG’s Activity report
- Report of the RTMG
- Update Reports on Benin and Sierra Leone
- Summary of member States AML/CFT Country Reports

402. Other key activities during the GIABA 30th Technical Commission/Plenary Meeting include:

- The 6th meeting of SAMWA Steering Committee
- The 13th meeting of the Forum of FIUs of GIABA member States
- Special sessions on beneficial ownership and countering Hezbollah financial activity in West.

403. The 30th Technical Commission/Plenary Meeting retained Comoros and Guinea Bissau on the Enhanced Follow up process, and directed the countries to submit their next Follow up Reports (FURs) to the Plenary in 2019. Cote d’Ivoire, Guinea, Liberia, and The Gambia, were maintained on the Expedited Regular Follow up Process and directed to submit their next FURs in November 2019. Togo was moved from the Enhanced Follow-up Process to Expedited Regular Follow up Process due to the progress made. The Plenary also approved the exit of Niger and Nigeria from the Follow up Process to allow the countries to prepare for their 2nd round of mutual evaluation. Similarly, the Plenary considered and discussed the Key Issues on Senegal 2nd round MER, and approved the down grading of the rating of Immediate Outcome (IO) 5 from Moderate to Low and upgrade of Recommendation 15 from NC to PC. The Plenary also maintained the ratings of IOs 3, 4, 7, and 8 as Low; IO 6 as Moderate and Recommendation 26 as PC. In line with GIABA MEP & P, the Plenary placed Senegal on Enhanced Follow-up Process and directed the country to submit its 1st FUR in November 2019.

404. In general, the Plenary directed GIABA Secretariat to work with member States whose FURs were discussed and adopted, on outstanding deficiencies in order to establish implementation timelines and deliverables and ascertain the nature of technical assistance required.
GIABA 19th Ministerial Committee Meeting, Banjul, The Gambia, 17th November, 2018

405. The 19th meeting of the GIABA Ministerial Committee was held at the Kairaba Beach Hotel, Banjul, The Gambia on November 17, 2018. The meeting considered and approved the Director General’s Summary Activity Report; Revised GIABA Mutual Evaluation Process and Procedures; Revised Calendar for Mutual Evaluation; Report of the GIABA 29th and 30th Technical Commission/Plenary Meetings; and the Memo on the Revision to GIABA’s Statutes. It also considered and adopted the 2nd round Mutual Evaluation Report of Senegal and encouraged the authorities of the country to address the priority and other actions recommended.

406. Following a presentation by the GIABA Secretariat on the requirements and roles of the GMC in the mutual evaluation process, the GMC commended the Secretariat and directed it to submit a proposal on strengthening its human resource capacity to address the challenges of the mutual evaluation process.
Regional FIU Forum

407. The 12th and 13th meetings of the Forum of the Financial Intelligence Units of GIABA member States were held on May 8-9, 2018 and November 14, 2018 respectively, as part of the preliminary meetings leading to the 29th and 30th GIABA Plenary meetings.

408. The 12th meeting reviewed and adopted the report of its 11th meeting, held in Abuja, Nigeria. It also considered updates on the financial contribution of member States to its common budget, outstanding issues on its Charter, and Egmont Group membership application status of the FIUs of Benin, Sierra Leone and The Gambia. The Forum appointed the Chief Executive Officer of the Ghana Financial Intelligence Centre, Mr. Kwaku DUA as the new Chair.

409. The Secretariat presented highlights of the Report of the Forum of Heads of FATF FIUs on FIU Independence & Autonomy to the meeting. The Forum discussed some of the factors affecting the autonomy and independence of member FIUs, including availability of resources, appointment and dismissals of Heads of FIUs, and noted the impact these can have on the strategic and operational work of FIUs and their effectiveness. The Forum resolved to come up with a resolution (on how to resolve the challenges), which GIABA will present to the GMC in November 2018 for consideration and approval. GIABA was also encouraged to make this issue (autonomy & independence of FIUs) a top agenda in its advocacy missions to national authorities, especially the line ministers.

410. On the other hand, the 13th meeting of the Forum reviewed and adopted the report of its 12th meeting, considered updates on the financial contribution of member States to its common budget, outstanding issues on its Charter, Egmont Group membership application status of the FIUs of Sierra
Leone and The Gambia, as well as the draft Resolution on FIU independence and autonomy. On the Charter, the Forum agreed that since the French version has been endorsed by all members, the Secretariat should harmonized the Portuguese and English versions with the signed version for consistency and that these do not require further endorsement. A review of the Charter is expected in the future. The Forum also resolved that the issues affecting members' autonomy and independence identified in the draft resolution should be forwarded to GIABA Secretariat for inclusion in its presentation to the GMC, and subsequently should form part of GIABA advocacy agenda to national authorities.

411. Other major outcomes of the meeting include the decision to review the existing Action Plan and ensure its implementation. The Forum congratulated Benin for its admission and Nigeria for its reinstatement into the Egmont Group. Cabo Verde, Nigeria, and Senegal shared their national experience on inter-agency cooperation between the FIU and other competent authorities. The meeting ended with MoUs signed between the FIUs of Liberia, Cote d’Ivoire, The Gambia, Nigeria and Sao Tome and Principe.

SAMWA Steering Committee Meetings

412. The 5th and 6th meetings of the SAMWA Steering Committee took place on May 8, 2018 and November 14, 2018 as part of the preliminary meetings leading to the 29th and 30th GIABA Plenary meetings held in Somone, Senegal and Banjul, The Gambia, respectively.

Group photo of the Presidents of Financial Intelligence Units at the 12th meeting of the FIU Forum, Saly, 08 May 2018
The major outcomes of the 5th meeting include the adoption of the 4th Narrative and financial report covering October 2017 – March 2018, and the approval of a 6 month work plan spanning April - September 2018. In relation to the 6th meeting, the Committee adopted the 5th Narrative and financial report covering April to September 2018; approved a 6 month work plan spanning October 2018-March 2019 and took an update on component 3 by Transparency International. The meeting commended GIABA for the implementation of the SAMWA project despite some of the challenges encountered.

REGIONAL & INTERNATIONAL COLLABORATIVE PROGRAMMES

Joint Middle East and Africa Workshop on Typologies and Capacity Building, Rabat, Kingdom of Morocco, 22nd to 25th January, 2018

This workshop was jointly organized by four (4) FATF Style Regional Bodies (MENAFATF, ESAAMLG, GABAC and GIABA) and hosted by the Morocco-FIU (UTRF), in Rabat, Morocco. Discussions at the workshop focused on risks, methods and trends and other topical issues relating to money laundering, terrorism financing and smuggling of goods; money laundering through the real estate sector; terrorist financing risks; financial flows resulting from human trafficking; and professional money laundering networks. Relevant GIABA Secretariat staff, members of the GIABA RTMG and other select delegates from member States took active part in the programme. The workshop offered GIABA participants the opportunity to network and share experiences with experts from other regions.

Dignitaries at the Middle East and Africa Typologies and Capacity Building Workshop, held in Rabat, Morocco from 22 to 25 January, 2018
Workshop for Judges and Prosecutors, Tunis, Tunisia, 27th to 28th February, 2018

415. This workshop was organized by FATF in collaboration with FSRBs in Africa and the Middle East, with the support of the Tunisian Financial Analysis Committee (CTAF). It was designed to create a platform for judges and prosecutors dealing with money laundering and terrorism financing cases in Africa and the Middle East to share experiences and views on the challenges involved in the investigation and prosecution of ML/TF and how to resolve those challenges.

416. Select GIABA staff and officials from member States, including prosecutors, presiding magistrates and relevant officials in charge of ML/TF investigations and prosecutions, as well as asset recovery participated at the programme and shared regional experiences. Considering the challenges facing member States in the investigation and effective prosecution of ML/TF cases, and asset recoveries, GIABA will continue to provide the necessary technical support, including interventionist programmes that will help member States resolve the challenges.

Training Course on FATF Standards, Busan, South Korea, 5th to 9th March, 2018

417. GIABA participated and co-facilitated at this programme, which was organized by the FATF Training and Research Institute (FATF-TREIN). The main objective of the workshop was to deepen understanding of participants on the FATF Recommendations and effectiveness measures with a view to boosting national AML/CFT implementation in their respective countries.

418. The workshop was attended by twenty-five (25) participants from thirteen (13) Francophone countries including six (6) GIABA member States (Benin, Burkina Faso, Côte d’Ivoire, Guinea, Niger and Togo), drawn from Financial Intelligence Units and other institutions involved in the mutual evaluation process in their respective jurisdictions.

419. In addition to facilitating at the programme, GIABA defrayed the cost of translating the training materials (presentations, case studies/exercises) from English into French. This support will continue to facilitate the delivery of similar future programmes for other Francophone members of the global network and was highly commended by the FATF-TREIN.

Joint AfDB/GIABA Identification Mission in some GIABA Member States, 12th to 23rd March, 2018

420. Officials of the African Development Bank (AfDB) and GIABA undertook a joint identification mission to Senegal, The Gambia, Ghana, Nigeria and Côte d’Ivoire from 12th to 23rd March, 2018. The team met with critical AML/CFT stakeholders in the countries and discussed issues relating to technical assistance. Based on the outcomes of the mission, the AfDB mission team will develop a project concept note for its operation in proposed interventions as a basis for the European Corporate Governance Fund to prepare a funding request from the ADF regional public goods window 14.

On-site Visit of the UNCTED Assessment Team to the Republic of Côte d’Ivoire, 26th to 30th March, 2018

421. The onsite visit to Abidjan, Côte d’Ivoire from 26th to 30th March, 2018 was to assess the degree of implementation of United Nations Security Council Resolutions 1373 and subsequent ones relating to the fight against terrorism and its financing by the country. GIABA participated in the onsite visit at the invitation of the United Nation’s Counter Terrorism Executive Directorate (CTED). The assessment was led by the Executive Director of CTED and her team, assisted by experts from regional and multilateral partner organizations. The team met with the Government and public sector agencies as well as private sector and civil society organizations. The key findings of the mission and the areas of technical assistance identified were shared with the Ivorian authorities at the end of the mission while the detailed report was to be presented later.

Annual Retreat of Heads of Finance and Administration of ECOWAS Institutions, Saly, Senegal, from 23rd to 27th April 2018
422. The 2018 Annual Retreat of Heads of Finance and Administration of ECOWAS Institutions was hosted by GIABA from 23rd to 27th April, 2018 in Saly, Senegal. The meeting provided a platform for ECOWAS institutions and agencies to review the audit of financial statements of the various Community institutions in order to find appropriate solutions to all deficiencies that have been noted. Important Community documents such as the Financial Regulation and the Tender Code, were also reviewed during the meeting to improve effectiveness and efficiency in the functioning of the various ECOWAS Institutions, Agencies and Offices.

WAIFEM Regional Training on Combating Money Laundering and other Financial Crimes, Freetown, Sierra Leone, 30th April to 4th May, 2018

423. As in previous years, GIABA supported the delivery of the WAIFEM’s 2018 Regional Course on Combating Money Laundering and Other Financial Crimes by providing resource person and also sponsored some regional experts to facilitate at the workshop. This magnanimity is part of its collaborative efforts to strengthen the capacity of officials of relevant stakeholder-institutions to ensure effective implementation of AML/CFT regime in the region. Discussions at the programme focused on topical AML/CFT issues, including international/regional AML/CFT initiative and Customer due diligence. The Secretariat provided a resource person and.

Seminar on Transparency of Beneficial Ownership for Francophone African Countries, Dakar, Senegal, 22nd to 24th May, 2018

424. This Seminar was organized by the Global Forum on Transparency and Exchange of Information for Tax Purposes and aimed at resolving the weaknesses in the dearth of information on persons owning and/or controlling companies and other corporate entities in order to combat tax evasion, money laundering and facilitate the flow of information among developing countries.

425. GIABA provided expert to support the hosting of the Seminar as part of its collaborative efforts to strengthen capacity of member States on beneficial ownership. The Seminar was facilitated by experts from the OECD, the World Bank and GIABA and covered, among other topics: the relevance of information on Beneficial Ownership, transparency in beneficial ownership and FATF standards, transparency in beneficial ownership and Global Forum standards, and sources of information on beneficial ownership. A key outcome of the seminar was a call on Tax Administrators to collaborate and cooperate closely with the Financial Intelligence Units in order to increase access to available information on beneficial ownership.

426. Fifty-four (54) participants from Francophone African countries, including senior executives/decision-makers, tax administrations, members of OHADA National Commission and representatives of Financial Intelligence Units in West and Central Africa took part in the seminar.

Workshop on Parliamentary Efficiency in the Control of ECOWAS Community Budgets and Budgets for Investment in Infrastructure and Security, Cotonou, Benin 29-30 June, 2018

427. This workshop was organized by the National Institute for Legislative and Democratic Studies (NILS), Nigeria, in collaboration with the ECOWAS Parliament, and jointly funded by the National Assembly of Nigeria and the African Capacity-Building Foundation (ACBF).

428. The primary objective of the Workshop was to ensure effective control of budgets and programmes of ECOWAS institutions and agencies by providing participants with essential tools to critically examine the budgets of Community institutions and agencies in order to optimize available resources.

429. About seventy (70) participants participated at the Workshop, including members of the Bureau and Conference of Committee Chairpersons of ECOWAS Parliament, selected Chairpersons of the Monitoring Committees of the National Parliaments of ECOWAS Member States, GIABA officials, as well as other stakeholders and experts in the areas covered.

430. This programme was organized by the UN Security Council Expert Group Committee 1540 in collaboration with the African Union (AU) Commission, for the benefit of twenty (20) Contact Points (CoP) in Francophone African countries on the implementation of UN Resolution 1540 and its subsequent Resolutions.

431. The training was aimed at providing national CoPs with a thorough understanding of the obligations of the Resolution and practical information, skills and guidance on their roles and responsibilities. It also provided a platform for exchange of experiences and networking amongst participants. GIABA participated in the programme along other regional and international institutions to provide some perspectives from the region.

INTERNATIONAL MEETINGS & RELATED PROGRAMMES


433. The event brought together various experts and pan-African institutions, including GIABA to discuss the findings of the report and strengthen partnership in resolving the challenge of illicit trade as well as further explore the interests and areas of intervention.

FATF Plenaries, 18th to 23rd February, 2018, Paris, France; 24th to 29th June, 2018, Paris, France; and 14th to 19th October, 2018, Paris, France

434. GIABA participated in the three (3) Plenary meetings of FATF held in Paris, France in 2018. These meetings discussed and adopted the mutual evaluation reports of some member States of FATF and FSRBs, as well as Follow up Reports of some FATF member States. Other important outcomes of these meetings include adoption of amendments to some FATF Recommendations and the methodologies, policy documents/typologies reports, and the identification of jurisdictions with significant weaknesses in their AML/CFT measures under the FATF Improving Global AML/CFT Compliance process.

435. With respect to GIABA member States, the amended Ghana 2nd round MER was adopted and approved for publication in February 2018. However, Ghana was identified as one of the countries with strategic AML/CFT deficiencies and has adopted an Action Plan with the FATF to resolve the most significant deficiencies. On Nigeria’s membership process to the FATF, the Plenary decided to await for the conclusions of the GIABA November 2018 Plenary and the adoption of pending laws by Nigeria prior to a resumption of the membership process with the high-level on-site visit, the date of which could be decided at the FATF Plenary in February, 2019.

436. Important work of the FATF Heads of FIU in 2018, which is expected to impact positively on GIABA member FIUs, is the paper on FIU Independence and Autonomy. This paper highlights critical factors affecting the autonomy and independence of FIUs which are very germane to the region.

Egmont Group Meetings, Buenos Aires, Argentina, 12th to 16th March, 2018 and Sydney, Australia, 24th to 28th September, 2018

437. GIABA participated in the two meetings of Egmont Group of FIUs held in 2018 as part of efforts to strengthen collaboration with the Group in providing the necessary support for GIABA member FIUs. The participation at the February 2018 meeting afforded GIABA the opportunity to understand the underlying factors that hampered Benin’s admission and delayed the lifting of the NFIU’s suspension and worked with the two member States leading to the feats achieved in September 2018.
438. Major outcomes of the two Egmont Group meetings that are relevant to the region include the replacement of Nigeria with Senegal as the 2nd co-sponsor of The Gambia and Sierra Leone due to Nigeria’s suspension from the Egmont Group in 2017; admission of Benin FIU as member of the Egmont in September 2018, bringing to ten (10) GIABA member States that are members of the Egmont Group; and the lifting of the suspension on the NFIU in September 2018, following the conclusion by the Heads of FIU that the legislative changes in Nigeria have resolved the issues that led to the NFIU’s suspension.

439. In view of the advantages Egmont Group membership bestow on FIUs, especially in assisting them meet both domestic and international commitments, GIABA continued to work with and provided the requisite support to member FIUs which are not yet Egmont Group members, especially the FIUs of The Gambia and Sierra Leone to promote their eligibility for membership.

FATF Private Sector consultative Forum - Vienna, Austria, April 23-24, 2018

440. The FATF-Private Sector Consultative Forum (PSCF) was hosted by the United Nations Office on Drugs and Crime (UNODC) in Vienna, Austria, from April 23-24, 2018. The Forum brought together representatives from the financial sector, designated non-financial institutions and professions, civil society, FATF members and observers, as well as FSRBs including GIABA, to discuss issues relating to global priorities for AML/CFT in 2018, de-risking, FinTech and RegTech, as well as dialogue with financial institutions, DNFBPs and NPOs on ML/TF risk assessments and FATF mutual evaluations, with a particular focus on Recommendations 1 and 8, and Immediate Outcomes 1, 4 and 10.

441. Key lessons from the meeting for the region include the need for national authorities to: (i) engage and involve the private sector in both ML/TF risk assessment and mutual evaluations processes as early as possible. This is important as the sector is well placed to provide valuable inputs that can contribute to enhanced performance of member States with Immediate Outcomes 1, 4 and 10. Additional engagement with the sector after, especially the mutual evaluation onsite visit and throughout the follow-up process was encouraged; and (ii) strengthen existing national identification infrastructures to facilitate application of customer due diligence (CDD) by reporting institutions, especially in using digital identity for the purpose of CDD as part of the on-boarding process.

Franc Zone Finance Ministers’ Meeting, Brazzaville, Congo, 12th to 13th April, 2018; and Paris, France, 5th to 8th October, 2018

442. GIABA participated in the various working sessions of the two (2) Franc Zone Ministers meetings held in 2018. In addition to the usual discussions on the macroeconomic and development perspectives, the meetings also discussed the fight against money laundering and terrorist financing in the Franc Zone countries. The October meeting discussed and adopted the report on the AML/CFT status in Franc Zone countries commissioned by the member institutions of the Anti-Money Laundering Liaison Committee (CLAB) of the Franc Zone and produced by the World Bank, GIABA and GABAC as well as the associated Action Plan. The implementation of the Action Plan will be monitored by GIABA, GABAC CLAB.

443. GIABA and GABAC made presentations at the April 2018 experts and Ministers’ meetings on the theme: “Challenges and prospects of combating money laundering and terrorist financing” during which they shared regional perspectives and highlighted the specific context of challenges in their respective member States.

Conference on Counter Financing of Terrorism, Paris, France, 25th to 26th April, 2018

444. 91. This Conference was organized by the French Government, to which the Heads of State and Ministers from 70 countries were invited together with several international organizations, including FATF and FSRBs, including GIABA. Under the theme “No money for terror”, the conference provided
an opportunity for stakeholders to share ideas and experiences on how best to resolve the challenge of terrorism financing. GIABA made a presentation during one of the panel sessions on “The role of FSRBs in the fight against terrorist financing, their relationship with the FATF, the challenges they face and solutions envisaged to resolve such challenges”.

36th Plenary of GABAOA (ESAMLG), Beau-Vallon, Republic of Seychelles, 2nd to 8th September, 2018 and 10th Plenary of GABAC, Libreville, Gabon, 10th to 14th September, 2018

445. GIABA participated in the 36th Plenary of GABAOA (ESAMLG) and the 10th Plenary of GABAC held in Beau-Vallon, Republic of Seychelles from 02 to 08 September, 2018 and Libreville, Gabon from 10 to 14 September, 2018, respectively as part of regional alliances and collaboration among the FATF-Style Regional Bodies (FSRBs) and to share experiences, and exchange best practices.

Joint FATF/EAG Forum on FinTech and RegTech Technologies, Hangzhou, China 4th to 6th September 2018

446. A FinTech and RegTech Forum organized jointly by the FATF and EAG was hosted by China from September 4 to 6, 2018. The Forum brought together participants from the FinTech and RegTech sectors, financial institutions, and FATF/FSRBs members, including GIABA, to discuss important issues such as digital ID, distributed ledger technology, virtual currency, and how technologies such as artificial intelligence can contribute to AML/CFT compliance, risk assessment and management. GIABA participated and provided some regional perspectives to the discussions during the meeting.

447. The Forum brought to the fore the importance of engagement with the private sector in resolving emerging money laundering and terrorist financing risks, such as virtual currency, as well as potentials of digital identification in the implementation of CDD measures.

ICRG Africa/Middle East Joint Group Meeting, London, United Kingdom, 12th to 13th September, 2018

448. The ICRG Africa/Middle East Joint Group was attended by officials from the FATF Secretariat, Italy, France, the United Kingdom, Russia and South Africa, as well as representatives of FSRBs from Africa and the Middle East, including GIABA.

449. The meeting was aimed at reviewing the reports submitted by the ICRG countries under review during the present rounds of mutual evaluations and to determine the progress made in the implementation of their Action Plans. Reports from six (6) countries (Tunisia, Ghana, Botswana, Ethiopia, Yemen and Iran) were reviewed during this meeting.

450. With regard to GIABA member States, the Joint Group had a meeting with Ghana to clarify some issues and better understand the content of the Follow-up Report submitted by the country. At the end of the discussions, it was concluded that during the one-year observation period, Ghana had not made sufficient progress in resolving the deficiencies identified in its Mutual Evaluation Report (MER). The meeting agreed on a draft Action Plan to be finalized by the Reviewer and sent to the members of the Joint Panel for their comments, before being sent to Ghana.

On-site visit by the United Nations Counter-Terrorism Executive Directorate (CTED) to Niger (9th to 11th July, 2018); Burkina Faso (12th to 16th July, 2018); and Mali (29th to 31st October, 2018)

451. As part of its mission to strengthen and coordinate the monitoring of the implementation process of the relevant United Nations Security Council Resolutions, including Resolutions 1373 (2001), 1624 (2005) and 2178 (2014), the United Nations Counter-Terrorism Executive Directorate (CTED) conducted on-site evaluation visits to Niger, Burkina Faso, and Mali. GIABA and other international bodies, including United Nations Counter-Terrorism Office, United Nations Regional Office for West Africa and the Sahel (UNOWAS), Analytical Support and
Monitoring Team of the Sanctions Committee against the Islamic State and Al-Qaeda, United Nations Office on Drugs and Crime (UNODC), African Centre for Research and Development Studies on Counter-Terrorism (CAERT) and International Criminal Police Organization (ICPO-INTERPOL) were invited to participate in the onsite visit.

452. The visits to the countries were aimed at achieving the following objectives: status analysis of the terrorist threat and the challenges facing the countries; analysis of the implementation of the relevant Security Council Resolutions; status of the follow-up on the implementation process of the recommendations contained in previous Counter-Terrorism Committee Reports of scheduled visits on measures that the countries should undertake to fully implement certain obligations under UNSCR 1373 (2001) in the areas of law application, enforcement and prevention mechanisms, border control, asylum and refugee law; identification of areas in which the countries could benefit from technical assistance to enable them fully meet its obligations under these Resolutions.
CHAPTER 8

ADMINISTRATIVE AND SUPPORT SERVICES, MONITORING AND EVALUATION

Introduction

453. During the year under review, two important factors guided administrative and financial activities. These are the annual work plan and the continuation of institutional reform process launched by ECOWAS.

454. In 2018, GIABA consolidated its administrative and financial reforms with the implementation of SAP Enterprise Content Management, Governance, Risk & Control and Business Intelligence similar to all other ECOWAS Institutions, and the building of the capacity of all staff in order to ensure successful implementation, with the benefits of improved accountability and transparency.

455. Within the framework of the reforms initiated by the Council of Ministers in ECOWAS Institutions, GIABA continues to modify and reposition its secretariat to a model and modern institution within ECOWAS and within the network of FSRBs.

HUMAN RESOURCE MANAGEMENT

Staff General Assembly

456. As part of effort to promote a cordial relationship between management and staff and following the appointment of a new Director General in March 2018, Staff General Assemblies were held in June and December 2018. This provided an avenue for constructive dialogue between management and staff. Accordingly, the town hall meeting provided room for feedbacks on personnel management issues. This is one of the internal communication channels established by the Executive Management to discuss issues related to, for instance, Health Insurance Scheme, staff Assessment processes, and inter-personal relationships among staff. Usually, Management resolves issues raised instantly or commit itself to critically looking into issues raised thereafter.

457. During the event, staff members were able to express their concerns on staff assessment, workloads, promotions and other staff matters. The Director General responded to all inquiries and seized the opportunity to thank the staff while urging them to work together and communicate respectfully and cordially among themselves.

Training

458. GIABA’s annual training plan is a capacity building plan for staff developed based on the vision and mission of GIABA, planned activities with specific bearing on the objectives defined in the GIABA 2016 – 2020 Strategic Plan (SP) and its components as derived from identified priorities. The factors that guide the process of developing the document include assessed staff needs, available resources, implementation mechanism and monitoring and assessment of the training activities for each operational year.

459. It should be noted that GIABA has a dual mandate as an FATF-Style regional body (FSRB) and as a program based specialized
ECOWAS Institution. The second mandate, which is justified by the low capacity of GIABA member states, requires GIABA to have well-trained and adequate personnel that will meet the demands of its large program portfolio.

460. In the 2016 – 2020 SP, GIABA has responded to the main recommendations arising from the independent evaluation of the 2011-2014 strategic plan and the renewed vision expressed by its various stakeholders. The goals and program areas outlined in the SP reinforces the need for continuous up-scaling of theoretical and practical knowledge, professional behaviour and motivation, and mobilization of GIABA human capital within a defined institutional framework, compliant with international best practices.

461. To this end, the Management of GIABA has processed information from various sources such as the outcome of each staff member performance assessment, a benchmark of best practices and an analysis of major trends in knowledge, skills and aptitude (KSA) that will be needed to support the execution of its mandate. In 2018, about 95% of the Training activities planned were implemented.

SOCIAL ACTIVITIES

International Women’s Day

462. This is an element of one of the Millennium Development Goals (MDGs) set aside annually to mark and promote gender equality and Women’s rights. This is also a priority area in the ECOWAS regional integration program that is intended to demonstrate management’s commitment to gender balance, as well as the protection and promotion of women’s rights.

463. The International Woman’s Day celebration was held on 8th March 2018 in conjunction with the ECOWAS Gender Development Centre. Assistants and Secretaries Day

464. This day is traditionally celebrated to show appreciation to the work being carried out by assistants and secretaries, in order to highlight the value of their contribution to GIABA and to enhance their skills. The celebration was held on the 21st April 2018.

Staff Retreat

465. During the Staff retreat a training on Change Management was provided for all staff, the Annual Work Plan for 2019 was developed and a staff Town Hall Meeting was also held.

FINANCIAL MANAGEMENT

466. For the year under review, GIABA got its funds from the following sources:

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<tr>
<th>SOURCE OF FUNDS</th>
<th>KEY FUNDING ACTIVITIES</th>
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<tr>
<td>ECOWAS Community Levy Funds</td>
<td>Staff Salaries, Programme, Administrative and Capital Expenditure</td>
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<tr>
<td>European Union</td>
<td>Strengthening Anti Money Laundering Capacities in West Africa project</td>
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<tr>
<td>Sao Tome &amp; Principe</td>
<td>Contribution from Sao Tome &amp; Principe for membership of GIABA</td>
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<td>Comoros</td>
<td>Contribution of The Comoros for membership of GIABA</td>
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467. The 79th Ordinary Session of the ECOWAS Council of Ministers approved a budget of UA 10,031,326 for the implementation of GIABA’s 2018 activities. This budget was to be financed at 96% (representing UA 9,653,721) from Community Levy and 4% (representing UA 377,642) from external funds. During the period under review, 63% of the budget provision was implemented.

468. The ECOWAS Audit Committee considered and adopted the Audit Reports of the 2014 and 2015 Financial Statements. The Council of Ministers approved the reports in June 2018. The Audit of the 2016 and 2017 Financial Statements by Price Waterhouse Coopers commenced in December 2018 and is due to be completed in January 2019. External audit of GIABA’s 2014 - 2015 Financial Statements was completed in April 2017 by KPMG Ghana and the final report is due to be submitted for the consideration of the Audit Committee. The audit of the 2018 Financial Statements is due to commence in March 2019.

469. In addition to the annual audits conducted by external auditors, the Financial Controller of ECOWAS Institutions and Office of the Chief Internal Auditor conducted on-site visits to examine GIABA’s administrative and financial operations.

470. An ECOWAS Inter-Institutional Project Team was set up to develop a framework for the implementation of SAP ERP in all ECOWAS Institutions, including GIABA. The project was implemented by ECOWAS, with support from Deloitte Kenya. The deployment of SAP (locally named ECOLink) was aimed at improving transparency and accountability in ECOWAS Institutions and will serve as a key tool in integrating and harmonizing management processes and information across the community institutions, agencies, offices and projects.

471. The deployment of the SAP ERP has enabled GIABA to prepare management and external reports in a timely and accurate manner for the benefit of partners and member States.

472. Wave 1 of the project, which included Finance, Controlling and Material Management (Procurement), was implemented in 2015. Implementation of Wave 2 (Human Capital Management, Travel and Event Management) started in 2016 and all ECOWAS institutions, including GIABA, went LIVE and started using the system on January 16th 2017. Training of Super Users and End User on ten different modules is ongoing in order to ensure effective utilization of the system.

473. Implementation of the other Modules under Wave II (Enterprise Content Management, Governance, Risk and Control, Business Intelligence) has been completed in 2018 and it is expected that all institutions will Go Live in February 2019.

474. As part of the Financial Management Reform process, ECOWAS, with the support of EU and GIZ, revised the Financial Regulations, Tender Code and Grant Code, in 2018. These documents were adopted by the Administrative and Finance Committee (AFC) of ECOWAS and approved by the Council of Ministers in December 2018. The revision of the Staff Regulation and Code of Ethics is expected to be completed in the first quarter of 2019 for consideration by the AFC and approval by the Council of Ministers in May 2019.

475. GIABA participated at the 80th ECOWAS Council of Ministers meeting held in Lomé, Togo from 7-8 July 2018, where the report of the Audit Committee was considered and approved.

476. GIABA participated actively, along with other ECOWAS institutions, in the Financial Management Reform process, including the ongoing implementation of SAP ERP (ECOLink) and International Public Sector Accounting Standards (IPSAS).
GIABA provided assistance to other ECOWAS Institutions in finalizing their financial statements on the SAP ERP/ECOLINK.

**PROCUREMENT REPORTING FOR 2018**

Procurement activities were carried out from January 1, 2018 to December 31, 2018 and the information provided here is on GIABA’s procurement activities and performance for 2018. It covers Procurement Unit’s achievements, procurement statistics and procurement performance in executing its procurement strategy. The strategy sought to deliver on the following key priorities:

- Value for money;
- Provide timely performance information;
- Strengthen contract and supplier management processes;
- Raise the level of procurement knowledge, skills and expertise;
- Achieve the benefits derived from collaborative working.

**Procurement Unit’s Achievements**

In order to achieve the priorities, four considerations generally guide GIABA’s requirements:

- The need for economy and efficiency;
- Providing equal opportunity to all eligible bidders;
- Encouraging domestic and regional industries;
- Enforcing transparency in the procurement process.

GIABA continued to improve the procurement system and sourcing strategies by involving GIABA member States. The number of contracts awarded in year 2018 has increased over the 2017 figure. The Total contract awarded for the year under review amounted to US$456,796.68 (Four Hundred and Fifty Six Thousand, Seven Hundred and Ninety Six Dollars Sixty-eight Cents).

**Procurement Statistics**

The following are key procurement statistics for the period January 1, 2018 to December 31, 2018.

As per ECOWAS Procurement Policy, the Procurement Committee is authorized to award contracts of up to US$350,000.00. In 2018, the GIABA Procurement Committee did not initiate any activity as most the procurement activities implemented during the year under review were below this threshold. Key activities implemented under the procurement methods are listed below.

**Recruitment of Consultants**

During the year under review, GIABA procured the following Consulting Services:

i) Typologies of Money Laundering and Financing of Terrorism linked to the Trafficking in Human Beings and Smuggling of Migrants in West Africa;

ii) An assessment of the Counter Terrorist Financing Capacities of GIABA member States (Burkina Faso, Cote d’Ivoire, Mali, Niger and Nigeria)

**Goods**

Summary of Contracts awarded by the Public Contracting Officer (PCO)

i. Procurement of Goods

- Procurement of Office Furniture
- Procurement of Office Equipment
• Procurement of Office Stationery
• Procurement of Computers and Accessories
• Procurement of Publicity Materials

ii. Procurement of Services
• Maintenance of Office Equipment
• Maintenance of GIABA Secretariat
• Maintenance of GIABA Vehicles

Works

487. There was no procurement for Works during the year under review.

<table>
<thead>
<tr>
<th>PROCUREMENT PROCESS</th>
<th>VALUE SUMMARY ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods</td>
<td>208,450.68</td>
</tr>
<tr>
<td>Non-Consulting Services</td>
<td>166,346.00</td>
</tr>
<tr>
<td>Consulting Services</td>
<td>82,000.00</td>
</tr>
<tr>
<td><strong>Total ($)</strong></td>
<td><strong>456,796.68</strong></td>
</tr>
</tbody>
</table>

SAMWA Project

489. A significant milestone was also achieved in the implementation of the SAMWA Project. Goods and Services were procured in accordance with the ECOWAS Procurement regulations. Most of the project components were fully implemented and the targets were achieved with significant outcomes.

GENERAL ADMINISTRATION

ECOLINK/SAP Material Management (MM)

490. With the implementation of the MM Module in the SAP system, the processing of purchase requisitions, service requests, Purchase Orders and payment tracking has been relatively faster.

Insurance Coverage

491. GIABA subscribed to all the insurance packages as provided for in the ECOWAS Staff Regulations in 2018.

- Health Insurance
- Occupational Insurance
- Life Insurance
- Vehicles Insurance
- Comprehensive Home Insurance (DG’s Residence)
- Travel Insurance

Inventory of materials

492. The inventory of office furniture and equipment needs of the Secretariat and Information Centers of Abidjan and Lagos was done in January 2018. Sixteen new ACs and two Giant Photocopiers were procured after the exercise.

Management of departures and arrivals of outgoing and incoming Statutory Appointees

493. Following the end of the former Director-General’s mandate on 28 February 2018, an inventory of the household furniture and equipment was carried out. The transportation of the personal effects of the statutory staff and outgoing Professional Staff was carried successfully. A new lease agreement was signed for the accommodation of the new Director General.
494. GIABA organized several seminars and workshops in a number of its Member States. Three of the most outstanding were the Technical Commission/Plenary meetings held in Somone (Senegal) from 7th to 11th May 2018 and in Banjul (The Gambia) from 11th to 16th November, 2018, respectively. These meetings were attended by about 200 participants each, apart from the Ministerial Committee meeting held on 17th November 2018, where the support services of the GIABA Language, Conference and Protocol Unit played critical roles.

495. Below are some of the seminars and workshops for which the Conference Unit provided indispensable services during the review period:

• The meeting on the conduct of the NRA organized by the Research and Planning Directorate;
• The SAMWA regional meeting held in Somone in May 2018; and
• The Regional Conference on the Maritime sector held in Freetown in October, 2018.

496. The Protocol Unit, on its part, provided assistance to the DG on assumption of duty; provided assistance to not only the President and Vice - President of the Commission, but all ECOWAS Statutory appointees transiting through Dakar, during their visit to Dakar, coupled with the regular support provided to Professional staff in their application for diplomatic cards, temporary admission and visas, etc.

497. GIABA has 3 permanent Interpreters/Translators, one for each of the Community working Languages, namely French, English and Portuguese. Throughout the review under period, the Language Service Unit provided indispensable support to all GIABA’s regional and domestic meetings, including those organized under the EU-SAMWA Project.

498. Some of the most crucial translation services rendered include the Mutual Evaluation Reports of Senegal and Cabo Verde, the 2017 Annual Report and the FATF documents on Beneficial Ownership.

ICT

499. The computer hardware systems at the GIABA Secretariat were acquired in 2013. Consequently, a breakdown of built-in components has been occurring on a regular basis. The processing capacity of some of the systems were no longer adequate to meet the current computing needs of the institution. As with most equipment, the failure rate of computer hardware increases with age.

500. In order to avert a complete breakdown of the old IT systems, which would have disrupted workflow, in 2018 some of the old desktops were replaced.

E-Learning at the Secretariat, Abidjan and Lagos Information Centres, Phase 1 – Site preparation

501. The CBT/E-Learning deployment commenced under the SAMWA project and was supposed to be complemented by the Secretariat by establishing E-Learning Centres at the Secretariat and at Abidjan and Lagos information Centres. The Centres are expected to provide standard training to a larger group of participants from different sectors in GIABA member States.

502. The UNODC E-Learning platform has been selected for this purpose because of its comprehensiveness and ease of use and at minimal cost. The UNODC is to provide GIABA with access to the E-Learning platform, while GIABA is to establish the E-learning centres with the required ICT infrastructure.

503. In 2018 the mobile E-Learning platform was acquired from UNODC. A training session was organized at the secretariat for GIABA’s staff and some Senegalese participants working in the area of AML/CFT and the staff at the Lagos and Abidjan Information Centres. The next step will be the establishment of
E-Learning Centres at the Secretariat and at Abidjan and Lagos information Centres.

Deployment of CISCO softphone for GIABA’s staff

504. As part of the upgrading of the CISCO telephone system installed in 2017, one of the features to be installed is call transfer from office number to internet softphone (such as skype). The application can transfer calls from the office line to the mobile phone via a software-based phone provided by CISCO Company. Staff on mission or on leave can also call telephone extensions in the office directly without any charge to speak to their colleagues. Staff of the Information Centres have been allocated extension numbers and they can also be reached via the application.

Deployment of clocking system

505. In order to ensure comprehensive monitoring of staff movement during official working hours in line with the ECOWAS Staff Regulations, a clocking system was installed at the Secretariat.

Conclusion

506. GIABA’s funding was stable in 2018, with over 90% of the funds coming from the Community Levy. The new procurement policies which were adopted by GIABA in April 2015 and the continued financial management reforms and transformations and cost containment measures have led to savings and a shift in culture. The year 2018 continued to mark a significant shift in GIABA’s procurement practices. Procurement activities are flowing through the SAP ERP (ECOLink) systems enabling significant expenditure management and standardized systems and controls.

507. The significant improvements and the increase in expenditure evidenced by the percentage increase highlights the work of the Procurement Team. The focus now is on improving the quality of outputs, ensuring that tenders are clear, concise and attractive to the market. This includes taking time during the development of a procurement process for each tender to consider not just the financial impact but also the value added that the contract can deliver, including the economic benefits.

MONITORING & EVALUATION

Introduction

508. This part of the annual report describes the development of the institution’s Work Plan, the implementation of planned programs/activities/projects and the subsequent outcomes. In the same vein, it draws conclusions and proffers recommendations for the improvement of GIABA’s interventions.

509. In 2018, GIABA continued with the implementation of its five-year Strategic Plan (2016-2020). Against this backdrop, the institution organized an internal program planning workshop, with a view to harmonizing all the programs/activities/projects proposed by the operational Directorates, which facilitated the development of the 2018 Work Plan.

Operational Programs/Activities/Projects Planning Workshop

510. The operational planning workshop was held on 9th March, 2018. Its late organization was attributed to the institutional change at the GIABA Management level, with the assumption of its new Director General on 1st March 2018. The planning workshop’s objectives, among others, were as follows:

- To ensure the proposed projects/activities are in line with the logframe of GIABA’s 2016-2020 Strategic Plan which is the frame of reference, and find out whether they could actually contribute to the achievement of expected outcomes;

- To ensure all planned projects/activities are provided for and incorporated in GIABA’s 2018 approved annual budget;

- To ensure an adequate distribution of projects/activities among ECOWAS Member States; and

- To prevent an inappropriate concentration of projects/activities over the same period, as well as a duplication of Secretariat activities
with those of Member States and/or any two Directorates within the Secretariat.

2018 Annual Work Plan

511. GIABA has continued to use the Results-Based Management (RBM) model in the development and implementation of its work plan, which is anchored on its 2016-2020 Strategic Plan and the Community Strategic Framework (CSF), which constitute the frame of reference, in order to contribute to the achievement of the overall ECOWAS objectives. Reaffirming its Results-Based Management program implementation model, GIABA has shifted the focus of its annual work planning from the Strategic Programme Areas (SPAs), to strategic objectives with defined indicators. This readjustment exercise was accomplished at an internal workshop held in Somone, Senegal, from 21st to 25th May, 2018.

512. In a bid to ensure consistency with the Community Strategic Framework (CSF), GIABA’s annual work plan has been realigned with the Community’s Strategic Planning Framework (CSF). The table below shows the current GIABA programme areas, which also form the 4 key goals of the 2016-2020 Strategic Plan:

### Table 8.1: Distribution of Projects/Activities into Programmes

<table>
<thead>
<tr>
<th>Programmes</th>
<th>Number of Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.  Percentage</td>
<td></td>
</tr>
<tr>
<td>Prog 1: A model Secretariat with appropriately skilled staff using modern tools and processes to deliver services efficiently and effectively</td>
<td>18  33%</td>
</tr>
<tr>
<td>Prog 2: AML/CFT mechanisms that are based on current and relevant emerging risks</td>
<td>14  25%</td>
</tr>
<tr>
<td>Prog.3: AML/CFT interventions that are effective and collaborative</td>
<td>6  11%</td>
</tr>
<tr>
<td>Prog.4: AML/CFT interventions that have positive impact on good governance</td>
<td>17  31%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>55  100%</td>
</tr>
</tbody>
</table>

513. Implementation of planned activities showed a build-up on a quarterly basis, reaching its peak in the 3rd quarter before declining in the last quarter of 2018. The decline in the number of project planned during the last quarter was due to the short span of this period, which coincided with ECOWAS annual institutional holidays from mid-December.
Implementation of Work Plan Programs/Activities/Projects

514. The level of projects implementation in 2018 was generally satisfactory. Indeed, the overall implementation rate stood at 78.2%, slightly higher than in 2017 when the rate posted 71.62%. However, there were also cases of canceled activities (4 cases initially planned for 1st and 2nd quarters), implemented in early 2019 (3 activities) and others, which are still in progress, particularly research and typology projects (about 4), among others.

515. The quarterly implementation rate shows that the implementation was relatively high for all quarters except the 2nd quarter when the level dropped below average (47.1%).
Figure 8.3: Quarterly implementation rate

**Key Operational Outputs and Impact on Stakeholders and Member States**

516. The implementation of the activities has generated some outputs, the most significant of which can be summarized as follows:

*Key Operational Outputs*
### Programmes Output

<table>
<thead>
<tr>
<th>Program</th>
<th>Programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme 2: AML/CFT regimes that are based on pertinent current and emerging risks</td>
<td>34 Customs and Law enforcement officer sensitized on how to handle abductions and piracy cases</td>
</tr>
<tr>
<td>Programme 2: AML/CFT regimes that are based on pertinent current and emerging risks</td>
<td>70 FI and DNFBP employees in Nigeria sensitized on their vulnerability to ML/TF, and on the impact of TF</td>
</tr>
<tr>
<td>Programme 2: AML/CFT regimes that are based on pertinent current and emerging risks</td>
<td>165 Compliance Officers from FIs and DNFBPs sensitized on emerging ML/TF issues</td>
</tr>
<tr>
<td>Programme 3: AML/CFT regimes that are effective and collaborative</td>
<td>The capacity of 42 key NPO officials strengthened; the main TF risks and abuse of NPOs identified; counter measures proposed; the establishment of a database and monitoring of NPOs were recommended</td>
</tr>
<tr>
<td>Programme 3: AML/CFT regimes that are effective and collaborative</td>
<td>36 Financial Intelligence Unit staff trained on strategic analysis</td>
</tr>
<tr>
<td>Programme 3: AML/CFT regimes that are effective and collaborative</td>
<td>36 Magistrates and Law Enforcement Officers trained on the legal handling of corruption cases</td>
</tr>
<tr>
<td>Programme 3: AML/CFT regimes that are effective and collaborative</td>
<td>Law enforcement capacity strengthened, including investigative techniques, asset tracing, freezing, seizure and management of seized/confiscated assets, in accordance with UNSCRs</td>
</tr>
<tr>
<td>Programme 4: AML/CFT interventions that impact positively on good governance</td>
<td>Religious leaders and heads of religious organizations (40 and 42 in Niger and Ghana respectively) produced communiqués following their sensitization on radicalization and violent extremism</td>
</tr>
<tr>
<td>Programme 4: AML/CFT interventions that impact positively on good governance</td>
<td>4 Pre-assessment workshops conducted in the following countries to prepare key stakeholders to effectively play their roles in ME, including how to complete the MEQ form</td>
</tr>
<tr>
<td>Programme 4: AML/CFT interventions that impact positively on good governance</td>
<td>A group of 52 new Assessors trained, including 34 from the GIABA Community</td>
</tr>
<tr>
<td>Programme 4: AML/CFT interventions that impact positively on good governance</td>
<td>Mutual Evaluation Reports (MERs) from Senegal and Cabo Verde produced. That of Senegal discussed and adopted in Plenary</td>
</tr>
<tr>
<td>Programme 4: AML/CFT interventions that impact positively on good governance</td>
<td>50 Civil Society Organization leaders in MS trained on AML/CFT requirements</td>
</tr>
</tbody>
</table>

**Impact on Stakeholders and Member States**

- **Sao Tome and Principe (STP)** passed four new laws during the reporting period. These include the law on cybercrime, the law on internal security, the monetary law and the law on penal policy. A bill on terrorism and terrorism financing, which establishes measures to prevent and enforce the law against terrorism and its financing, as well as the proliferation of weapons of mass destruction in accordance with United Nations Security Council Resolutions, which have all received Presidential assent.

- **Benin** has passed the Uniform UEMOA AML/CFT Law under AML/CFT N° 2018-17 of 25/07/2018. The country signed and published the Inter-ministerial Decree No. 2018 - 0631/MEF/MISP/MAEC/MJL/MDN/055SGG18 of 22nd February 2018, establishing the mandate, composition and functioning of the Advisory Committee on Administrative Freezing (AGCC). These
measures have strengthened Benin’s legal AML/CFT framework, particularly with regard to the implementation of the United Nations Security Council Resolutions 1267 and 1373.

- **The Nigerian** Senate enacted the proceeds of crime bill, the Mutual Legal Assistance bill, the Financial Intelligence Unit Bill in Nigeria (NFIU Bill of 8th March 2018), and the bill on the protection of whistleblowers. The NFIU Bill has since been accented to by the President while the remaining Bills are at different stages of the legislative process;

- Sierra Leone secured two convictions for money laundering;

- In Togo, the National Assembly passed the Uniform UEMOA Law, under N° 2018-004 of 4th May, 2018;

- Guinea-Bissau domesticated the UEMOA Uniform AML/CFT Law under No. Lei No. 3/2018 of 7th August, 2018;

- Ghana, in January 2018, published the revised AML/CFT Guidance Principles, issued by the FIU and the Bank of Ghana (BOG/FIC) for banks and non-bank financial institutions. Les Principes directeurs révisés traitent dans une large mesure les lacunes recensées au titre des R.16 et 17 qui ont été notées PC. The revised Guiding Principles resolve to a large extent the gaps identified under Rs.16 and 17, which were rated PC during the second mutual evaluation of the country. The guidance, provides that a financial institution making a transfer on behalf of a client must include the complete information on the sender and the beneficiary in the message or payment form accompanying the electronic transfer in accordance with R.16.

517. With regard to the detection and investigation of ML/TF offences, the FIU plays an important role and remains the hub of the AML/CFT system, as it serves as an interface between the private sector and judicial authorities. It receives suspicious transaction reports (STRs) from reporting entities, processes them before filing them for consideration by competent investigative authorities for official action. The table below presents the status of the STRs received in 2018 and the reports filed for judicial action as well as the convictions eventually secured.
Table 8.2: STRs received by Financial Intelligence Units (FIUs) and Investigation reports filed to Investigative and Prosecutorial Authorities in 2018

<table>
<thead>
<tr>
<th>S/N</th>
<th>Member States</th>
<th>STRs Received</th>
<th>Reports Filed</th>
<th>Convictions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Benin</td>
<td>534</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Burkina Faso</td>
<td>227</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Cabo Verde</td>
<td>60</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Cote d’Ivoire</td>
<td>364</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Gambia</td>
<td>37</td>
<td>9</td>
<td>0</td>
</tr>
<tr>
<td>6</td>
<td>Ghana</td>
<td>512</td>
<td>134</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Guinea</td>
<td>35</td>
<td>13</td>
<td>0</td>
</tr>
<tr>
<td>8</td>
<td>Guinea-Bissau</td>
<td>13</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Liberia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Mali</td>
<td>61</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Niger</td>
<td>54</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Nigeria</td>
<td>10,346</td>
<td>121</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Senegal</td>
<td>102</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Sierra Leone</td>
<td>7</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>15</td>
<td>Togo</td>
<td>323</td>
<td>8</td>
<td></td>
</tr>
</tbody>
</table>

Total

Conclusion

518. After the operational planning workshop, GIABA has developed a participatory approach, an annual work plan which was implemented during the year 2018, even though part of the planned activities were implemented in early 2019. The implementation of programs/activities/projects achieved a satisfactory execution rate of 78.2%, slightly higher than the 71.62% recorded in 2017. The institution has focused on capacity building of stakeholders; preparation of national stakeholders to ensure that they effectively play their role in the impending mutual evaluation exercises. In this regard, Member States have also started conducting their national risk assessment, which has become a cornerstone in the FATF methodology used for the 2nd Round of Mutual Evaluations. The level of compliance and effectiveness of the AML/CFT regimes of Member States already evaluated has been very low, considering the ratings obtained Ghana and Senegal, which are both placed under the enhanced follow-up regime. In terms of detection and investigation, available data show an ever rising numbers of STRs but investigation remains at very low levels, in spite of the significant number of reports filed by the FIUs to the criminal investigative and prosecutorial authorities. Admittedly, there are real challenges with obtaining information from the law courts relevant to assessing and understanding the outcomes of the AML/CFT efforts. The proposal on how to overcome this challenge could be the designation within the Ministries of Justice or office of the
Prosecutor, of a focal point, who can assist in the collection of conviction records and other relevant information from the courts.

519. An independent review of the implementation of the 2016-2020 Strategic Plan will be conducted in the 2nd half of 2019. It will be formative, designed to identify the major challenges and formulate guidelines and recommendations geared towards achieving more encouraging results.

520. The Monitoring-Evaluation department at ECOWAS has an integrated planning, budgeting and monitoring-evaluation tool, which is already operational at the Commission and has just been extended for use by the ECOWAS specialized agencies and institutions. This tool will make a significant contribution to the harmonization of approaches and sharing of processes and information in real time.
CHAPTER 9

ACHIEVEMENTS, CHALLENGES AND OPPORTUNITIES

521. Year 2018, which was marked by management transition, had a mixed outcome. Some successes were recorded and significant challenges remain, which provide some opportunities.

Achievements

The successes recorded are summarized below:

a. Program execution was above average but was not up to the optimum.

b. Lessons learned from the second evaluation of Ghana helped to guide the planning and execution of evaluations conducted in 2018.

c. More Assessors were trained using a different approach, which has led to the significant improvement in the quality of Assessors available to be used for evaluation.

d. Member States are becoming more aware of the evaluation requirements and are building their capacities to meet them.

e. More countries successfully completed their national risk assessments in time for the on-site visit of their second round Mutual Evaluation.

f. Through the European Union sponsored SAMWA project, substantial technical assistance was provided to member States, especially those with weaker AML/CFT regimes.

g. Many of the member States have exited the follow-up process in preparation for their second round Mutual Evaluation. This implies that the mutual evaluation calendar is being followed.

h. There has been some significant improvement in the number of STRs being provided to FIUs, which are leading to the conduct of more successful investigations by competent authorities.

i. Marginal increase was realized in the 2018 budget provisions as against the 2017 budget.

j. A number of research studies have been undertaken, with one completed.

k. A number of staff attended trainings and external programs to foster collaboration and cooperation with various partners.

Challenges

522. Notwithstanding the achievements recorded in 2018, enormous challenges still remain.

a. The overall regional risk context is still substantially high with regard to both money laundering and terrorist financing. Political upheavals associated with political transitions have not abated but the economic environment is promising.

b. The commencement of the second round of mutual evaluation based on the 2012 FATF standards has revealed the enormous work lying ahead of GIABA especially with regard to member States’ adequate preparation for the evaluations. Political will
is improving but more still need to be done by political authorities to demonstrate they have taken full ownership of the AML/CFT agenda.

c. Timely production of Mutual Evaluation Reports has remained a challenge largely due to the enormous work involved, the burden of translation, shortage of staff and low capacity of some member States.

d. Performance of member States in the second round has been very low and it is likely to be so for all countries. This is largely because of the demands of the 2012 FATF standard and the low level of implementation by the countries.

e. Poor performance in the second round of evaluation means that most of our countries will end up in the FATF/ICRG monitoring process and will require closer monitoring by GIABA.

f. Enforcement actions in member States remain limited to a few predicate crime areas, and in most cases, associated money laundering has not been adequately investigated.

g. Conviction rate for money laundering has remained very low in member States despite all the efforts to improve interdiction, investigation and prosecution by various actors. It is even worse for terrorism financing, regardless of the level of terrorist activities in the region.

h. GIABA Secretariat has coped with shortage of core operational staff for about a decade. The recent reforms implemented for all ECOWAS institutions has not fully resolved the staffing issues in the institution.

i. Donor funding is now largely provided on bilateral basis, which has led to a donor clogging in some countries, while others are yet to attract any significant donor support. In some cases, donor priorities may be in contradiction with the overall country compliance needs, and this could lead to unevenness in the development of the AML/CFT regimes of member States.

Opportunities

523. In spite of the existing challenges, there are prospective opportunities. Some of the opportunities forecast for 2018 include the following:

a. The resumption of new management has reinvigorated the work environment and it is expected to be a strong motivation for delivery by staff.

b. The expected commencement of the European Union sponsored successor project to SAMWA, the Organized Crime West Africa response to money laundering (OCWAR-M) project, for an amount of Eight million Euros, with 6.5 million Euros to be managed by Expertise France (the French Public International Cooperation Agency), will assist in developing GIABA’s AML/CFT intervention in member States.

c. The review of GIABA’s mandate by the GIABA Ministerial Committee will enhance GIABA’s mandate and role in providing the required support to member States, particularly on emerging issues such as counteracting proliferation financing.

d. The new emphasis on ML/TF risks in the global AML/CFT agenda provides an opportunity for countries in the region to clearly understand the risks they face so as to judiciously apply their scarce resources.

e. Improved donor coordination will be pursued in order to maximize the benefits of donor interventions in the region.

f. The mid-term evaluation of the 2016-2020 Strategic Plan to be carried out in early 2019 will assist in re-orienting GIABA’s programs and intervention in line with defined outcomes.

g. Within the framework of the ECOWAS-wide institutional reforms, GIABA will continue to engage ECOWAS authorities for them to appreciate the enormous workload on the institution so that adequate manpower can be provided for the institution to carry out its mandate.
h. Low performance by member States in the second round means that GIABA has to redouble its efforts and increase its engagement with and support to member States. A lot of investment is being made in evaluating countries. Similar, or even larger, investment will need to be made in tackling the problem itself, i.e. ML/TF.

i. In order to improve the level of ML/TF conviction, capacity building will be focused on investigators, prosecutors and judicial officers. They constitute the weak links in the AML/CFT chain.