Anti-money laundering and counter-terrorist financing measures

The Gambia

2nd Enhanced Follow-up Report & Technical Compliance Re-Rating



Follow-Up Report

May 2024

The Inter-Governmental Action Group against Money Laundering (GIABA) is a specialized institution of ECOWAS and a FATF Style Regional Body that promotes policies to protect member State's financial systems against money laundering, terrorist financing, and the financing of the proliferation of weapons of mass destruction. The FATF Recommendations are recognised as the global anti-money laundering (AML) and counter terrorist financing (CTF) standard.

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Republic of The Gambia: 2nd Enhanced Follow-up Report

I INTRODUCTION

1. The GIABA Plenary adopted the mutual evaluation report (MER) of the Republic of The Gambia in June 2022. This FUR analyses the progress of The Gambia in addressing the technical compliance requirements of the FATF Recommendations being re-rated. Technical compliance re-ratings are given where sufficient progress has been demonstrated.

2. Overall, the expectation is that countries will have addressed most, if not all, technical compliance deficiencies by the end of the third year from the adoption of their MER. This report does not analyse any progress The Gambia has made to improve its effectiveness.

3. The assessment of The Gambia's request for technical compliance re-ratings and the preparation of this report was undertaken by Mr. Seth Nana Amoako, Head of Compliance, Financial Intelligence Centre, Ghana.

4. The expert was supported by Mr. Giwa Sechap, Principal Officer, Financial Institutions & Non-Financial Entities of the GIABA Secretariat.

5. Section III of this report summarises The Gambia's progress to improve TC. Section IV sets out the conclusion and a table illustrating The Gambia's MER ratings and updated ratings based on this follow-up report.

II FINDINGS OF THE MUTUAL EVALUATION REPORT & FOLLOW-UP

6. The Gambia's MER ratings[1] are as follows:

Table 1: Technical Compliance Ratings, May 2023

R.	Rating
1.	PC (MER 2022)
2.	LC (MER 2022)
3.	PC (MER 2022)
4.	LC (MER 2022)
5.	PC (MER 2022)
6.	NC (MER 2022)
7.	NC (MER 2022)
8.	PC (MER 2022)
9.	C (MER 2022)
10.	PC (MER 2022)
11.	C (MER 2022)
12.	PC (MER 2022)
13.	PC (MER 2022)
14.	PC (MER 2022)
15.	NC (MER 2022)
16.	NC (MER 2022)

R.	Rating
21.	C (MER 2022)
22.	PC (MER 2022)
23.	LC (MER 2022)
24.	PC (MER 2022)
25.	PC (MER 2022)
26.	LC (MER 2022)
27.	LC (MER 2022)
28.	PC (MER 2022)
29.	LC (MER 2022)
30.	LC (MER 2022)
31.	LC (MER 2022)
32.	LC (MER 2022)
33.	LC (MER 2022)
34.	PC (MER 2022)
35.	PC (MER 2022)
36.	LC (MER 2022)

[1] There are four possible levels of technical compliance: compliant (C), largely compliant (LC), partially compliant (PC), and non-compliant (NC).

17.	PC (MER 2022)
18.	LC (MER 2022)
19.	PC (MER 2022)
20.	C (MER 2022)

37.	LC (MER 2022)
38.	PC (MER 2022)
39.	LC (MER 2022)
40.	LC (MER 2022)

7. Given the MER results, The Gambia was placed on Enhanced Follow-Up.

III OVERVIEW OF PROGRESS TO IMPROVE TECHNICAL COMPLIANCE

8. In keeping with the GIABA Mutual Evaluation Process and Procedures, this FUR considers progress made up until 27 November 2023. In line with the current GIABA ME Procedures and the FATF Methodology for assessing Technical Compliance with the FATF Recommendations and the Effectiveness of AML/CFT systems, the review team's analysis has considered progress to address the deficiencies identified in the MER and the entirety (all criteria) of each Recommendation under review, noting that this is not detailed where the legal, institutional or operational framework is unchanged since the MER or FUR and there have been no changes to the FATF Standards or their interpretation.

9. This section summarises the progress made by The Gambia to improve its technical compliance by addressing some of the technical compliance deficiencies identified in the MER (R.1, R.13, R.16 and R.34).

3.1 Progress to address technical compliance deficiencies identified in the MER

10. The Gambia has made progress to address the TC deficiencies identified in the MER in relation to Recommendations 1, 13 and 16. Because of this progress, The Gambia has been re-rated on these Recommendations.

11. GIABA welcomes the progress achieved by The Gambia to improve its TC with R. 34. However, sufficient progress has not been made to justify an upgrade of the rating of this Recommendation at this stage.

Recommendation 1 (Originally Rated PC)

12. In its 2nd MER, The Gambia was rated PC on R.1. The shortcomings identified in the report relate to the limitation in the scope of the NRA (the assessment did not cover proliferation financing, legal persons and arrangements, virtual assets and virtual assets service providers (VASPs) and other potential risk areas); non-comprehensiveness of the NRA Action Plan with regards to allocation of resources for the mitigation of ML/TF; and the lack of specific mechanisms to provide information on the results of the risk assessment to all relevant competent authorities and self-regulatory bodies, FIs and DNFBPs. In addition, the provisions relating to some of the criteria under R1 were set out in the AML/CFT Guidelines for FIs and DNFBPs, which were not published in Official Gazette as required by law and thus, not enforceable. Since the MER, The Gambia has published the Guidelines in the Gazette, and the Guidelines are now enforceable.

13. **Criterion 1.1 [Mostly Met] -** The Gambia completed its first NRA in 2020. Following the adoption of the MER in 2022, The Gambia commenced the process for the update of its first NRA in August 2023. The ongoing update is aimed at addressing the shortcomings noted in the 1st NRA, including the non-coverage of proliferation financing risks, ML/TF risks related to legal persons, virtual assets and VASPs and other potential risk areas. The Gambia was at

the stage of data collection on the 2nd NRA as at the time of submitting its 2nd FUR. Thus, the 2nd NRA has not been concluded. In addition, no further sectoral or thematic assessment has been conducted after the adoption of the MER to address the shortcomings noted in the MER. The actions taken so far are not sufficient to address the deficiencies noted in the MER.

14. **Criterion 1.2 [Met] -** The legal, institutional, or operational framework has not changed since the country's MER and there have been no changes to the FATF Standards or their interpretation (see 2022 MER).

15. **Criterion 1.3 [Met] -** As set out in the 2022 MER, The Gambia committed to update its 2020 NRA in December 2023. The Gambia commenced its 2nd NRA in August 2023 and was at the data collection stage as of the date of submitting its 2nd FUR.

16. **Criterion 1.4 [Mostly Met]** - As set out in the 2022 MER, The Gambia had no specific mechanisms to provide information on the results of the 2020 risk assessment to all relevant competent authorities and self-regulatory bodies, FIs and DNFBPs. After the adoption of the MER, The Gambia continued to share the findings of the NRA through presentations made during general AML/CFT trainings and workshops to stakeholders. The country also made presentations on the outcomes of the NRA and provided copies of the NRA to stakeholders during the pre-assessment training for the commencement of the 2nd NRA. Although some progress has been made, there is no sufficient evidence to show that all relevant FIs and DNFBPs benefited from the trainings where information on the results of the NRA were provided or that all relevant stakeholders received hard copies of the report. The publication of the NRA report on any website, would have significantly mitigated this gap. .

17. **Criterion 1.5 [Mostly Met]** – The 2022 MER noted that the NRA Action Plan did not specifically address the allocation of resources or implementation of additional measures that would address the deficiencies identified by the NRA other than the need for more funding for AML/CFT programs. The Gambia increased the budget allocation for some key competent authorities including the FIU (the primary competent authority for AML/CFT supervision), the Drug Law Enforcement Agency (DLEA) and some competent authorities responsible for the investigation and prosecution of high-risk predicate offences in the 2023 fiscal year. Although the 2nd NRA has not been completed and The Gambia is yet to develop a robust implementation roadmap that captures the need for resource allocation and implementation of the ML/TF measures based on risks, there is evidence of enhancement of resources to critical competent authorities responsible for supervision of high-risk sectors and investigation and prosecution of high-risk predicate offences. Although progress has been made, the deficiencies noted in the MER have not been fully addressed.

18. **Criterion 1.6 [N/A]** - The legal framework has not changed since the country's MER and there have been no changes to the FATF Standards or their interpretation (see 2022 MER, c.1.6).

19. **Criterion 1.7 [Met]** (a) – As set out in the 2022 MER, the AML/CFT Guidelines for FIs and AML/CFT Guidelines for DNFBPs contain provisions that meet the requirements of sub-criterion (a).

20. **Criterion 1.8 [Mostly Met]** – As set out in the 2022 MER, reporting entities are allowed to apply simplified measures where the risks are generally low (Para 2.30 and 5.3 of the AML/CFT guidelines for FIs and DNFBPs respectively). Thus, reporting entities are obliged to take appropriate measures to manage and mitigate risks and where lower risks are identified, take simplified measures to mitigate the risks provided that simplified due diligence is not permitted whenever there is suspicion of ML/TF (Para.2.30 of the AML/CFT Guidelines for FIs; Para.2.4 and Para.2.5 of the AML/CTF Guidelines for DNFBPs). Overall, simplified measures must be taken for low risks of ML/TF through an adequate analysis of risks. However, these requirements do

not specifically provide for consistency with The Gambia's assessment of its ML/TF risks, even though the NRA identified some low risk areas/ sectors including the securities sector and Village Savings and Credit Associations (see MER).

21. **Criterion 1.9 [Met]** – The supervisory authorities are obliged to ensure that reporting entities are implementing their ML/TF risk assessment obligations, as they are required to monitor reporting entities for compliance with the AML/CFT Act and also enforce compliance with the Act ((§§5(e), 13 and 14 of the AML/CFT Act). See analysis of R26 and R28 for more information.

22. **Criterion 1.10 [Met] (a - d)** – As set out in the 2022 MER, the AML/CFT Guidelines for FIs and AML/CFT guidelines for DNFBPs contain provisions that meet the requirements of sub-criteria (a-d).

23. **Criterion 1.11 [Met] (a- c) –** As set out in the 2022 MER, the AML/CFT Guidelines for FIs and AML/CFT guidelines for DNFBPs contain provisions that meet the requirements of sub-criteria (a-c)

24. **Criterion 1.12 (Met)** – As set out in 2022 MER, The Gambia permits simplified due diligence measures where low risk has been identified by reporting entities and criteria 1.9 to 1.11 are met. Simplified due diligence is not permitted when FIs or DNFBPs suspect any crime, including ML or TF (Para.2.30 of the AML/CFT Guidelines for FIs & Para.2.4 and Para.2.5 of the AML/CTF Guidelines for DNFBPs) .

Weighting and conclusion

25. The Gambia has published the AML/CFT Guidelines for FIs and DNFBPs in the Gazette in line with the country's Interpretation Act No. 11 of 1968, making the Guidelines enforceable means and thus, addressing the deficiencies from c1.7 – c1.12. The Gambia has commenced its 2nd NRA, however this has not been concluded. In addition, no further sectoral or thematic assessment has been conducted after the adoption of the MER to address observed shortcomings noted in respect of the 1st NRA, including the non-coverage of proliferation financing, legal persons, virtual assets and VASPs and other potential risk areas, means these deficiencies still subsist. The expert reviewer considered that while the shortcoming in relation to non-assessment of legal persons is relevant to R.1, it should be weighted more heavily in R.24. In addition, given the risk and context of The Gambia, VASPs are not material (see 2022 MER). The remaining shortcomings are considered minor in the context of The Gambia.

26. On this basis, R. 1 is re-rated LC.

Recommendation 13 (Originally Rated PC)

27. The Gambia was rated PC on R.13 in its 2nd MER. The report noted that the provisions requiring FIs to establish whether a respondent bank has been subject to a ML/TF investigation or regulatory action and prohibiting FIs from entering into or continuing a correspondent banking relationship with shell banks, or establishing relations with respondent FIs that allow their accounts to be used by shell banks, were set out in the AML/CFT Guidelines for FIs, which was not an enforceable means. Since the MER, The Gambia has published the Guidelines in the Gazette, and the Guidelines are now enforceable.

28. **Criterion 13.1 (a)(b) and (c) (Met)** – As set out in the 2022 MER, § 25(5)(b)(c) of the AML/CFT Act and Para 4.130(v) of the AML/CFT Guidelines for FIs; § 25 (5)(d) of the

AML/CFT Act; (§ 25(5)(e) of the AML/CFT Act and (§25(5)(f) of the AML/CFT Act have provisions that meet the requirements of sub-criteria (a-c) respectively.

29. **Criterion 13.2 (Met) –** The legal framework has not changed since the country's MER and there have been no changes to the FATF Standards or their interpretation (see 2022 MER, c.13.2).

30. **Criterion 13.3 (Met) –** As set out in the 2022 MER, Para 4.122 of the AML/CFT Guidelines for FIs prohibits FIs from entering into or continuing a correspondent banking relationship with shell banks, or establishing relations with respondent FIs that allow their accounts to be used by shell banks.

Weighting and conclusion

31. All the elements of Recommendation 13 are met. The publication of the AML/CFT Guidelines for FIs in a gazette complies with Section 11(d) of The Gambia's Interpretation Act, No. 11 of 1968 and is now enforceable, and thus addresses the deficiency identified in the MER.

32. On this basis, **Recommendation 13 is re-rated C**.

Recommendation 16 (Originally Rated NC)

33. The 2nd MER rated The Gambia NC on Recommendation 16. The MER found that the provisions relating to the requirements under R16 were largely set out in AML/CFT Guidelines for FIs, which have not been published in the Gazette and thus not enforceable. In addition, there was no specific provision requiring the ordering FI to make the information available within three business days of receiving the request, either from the beneficiary FI or from appropriate competent authorities. There was also no specific obligation in the law or AML/CFT Guidelines for MVTS provider that controls both the ordering and the beneficiary side of a wire transfer to file an STR in the country affected by the suspicious wire transfer and to make relevant transaction information available to the FIU. Since the MER, The Gambia has published the Guidelines in the Gazette, and it is now enforceable.

34. **Criteria 16.1 [Met]** (a-b) **–** As set out in the 2022 MER, (§ 29(1) of the AML/CFT Act, para 5.4 (i) (ii) and (viii) of the AML/CFT Guidelines for FIs; and para 5.4(iv)(v) and (viii) of the AML/CFT Guidelines for FIs have provisions that meet the requirements of sub-criteria (a-b) respectively.

35. **Criteria 16.2 [Met] -** As set out in the 2022 MER, in the event that several individual cross-border wire transfers from a single originator are bundled in a batch file for transmission to beneficiaries, ordering FIs are required to include, in the batch file, required and accurate originator information, and full beneficiary information, that is fully traceable within the beneficiary country; as well as the originator's account number or unique transaction reference number (Para 5.5 of the AML/CFT Guidelines for FIs).

36. **Criteria 16.3 – 16.4 [N/A]** - The legal framework has not changed since the country's MER and there have been no changes to the FATF Standards or their interpretation (see 2022 MER).

37. **Criterion 16.5 [Met]** – As set out in the 2022 MER, §29(1) of the AML/CFT Act requires FIs undertaking wire transfers, including domestic wire transfers, to ensure that the information

accompanying the wire transfer includes originator information as indicated for cross-border wire transfers under c.16.1. As described in R9, the authorities can have access to information held by FIs.

38. **Criterion 16.6 [Partly Met]** - The legal, institutional, or operational framework has not changed since the country's MER and there have been no changes to the FATF Standards or their interpretation. The deficiency identified in the MER[2] remains unaddressed (see 2022 MER).

39. **Criterion 16.7 [Met]** – As set out in the MER 2022 MER, Ordering FIs are required to maintain all originator and beneficiary information collected in accordance with Recommendation 11 (§27(1)(a)(b)(2) and §29(1), AML/CFT Act).

40. **Criteria 16.8 [Met] –** As set out in the 2022 MER, Paragraph 5.7of the AML/CFT Guidelines for FIs prohibits the ordering FIs to execute the wire transfer if it does not comply with specific requirements set out in Para 5.4 (the requirements of c16.1 - c16.7).

41. **Criteria 16.9 [Met] –** As set out in the 2022 MER, for cross-border wire transfers, paragraph 5.9 of the AML/CFT Guidelines for FIs requires intermediary FIs to ensure that all originator and beneficiary information that accompanies a wire transfer is retained with the transfer.

42. **Criteria 16.10 [Met] -** As set out in the 2022 MER, this requirement is covered under Para 5.9 of the AML/CFT Guidelines for FIs which provides that, where technical limitations prevent the required originator or beneficiary information accompanying a cross-border wire transfer from remaining with a related domestic wire transfer, a record, should be kept, for at least five years, by the receiving intermediary FI of all the information received from the ordering FI or another intermediary FI.

43. **Criterion 16.11 [Mostly Met]** – As set out in the 2022 MER, intermediary FIs are required to take reasonable measures to identify cross-border wire transfers that lack required originator information or required beneficiary information (para 5.10 of the AML/CFT Guidelines for FIs). Although there is no express reference that the measures must be consistent with straight-through processing, the provisions in the AML/CFT Guidelines is broad and can generally cover this requirement. However, the lack of an express requirement is considered a minor gap as the measures taken could be consistent with straight-through processing activity .

44. **Criteria 16.12 [Met] –** As set out in the 2022 MER, Intermediary FIs are required to have effective risk-based policies and procedures for determining when to execute, reject, or suspend a wire transfer; and the appropriate follow-up action (Para 5.11 of the AML/CFT Guidelines for FIs). If the intermediary FI has not been provided with the required information (payer or payee data), it shall consider filing an STR (Para 5.10 of the AML/CFT Guidelines for FIs).

45. **Criteria 16.13 [Met] –** As set out in the 2022 MER, beneficiary FIs are required to take reasonable measures to identify cross-border wire transfers that lack required originator or required beneficiary information. Such measures may include post-event monitoring or real-time monitoring where feasible (Para 5.13 of the AML/CFT Guidelines for FIs).

[2] There is no specific provision requiring the ordering FI to make the information available within three business days of receiving the request either from the beneficiary FI or from appropriate competent authorities.

46. **Criteria 16.14 [Met] –** As set out in the 2022 MER, §27(1)(a)(b)(2) of the AML/CFT Act and paragraphs 5.14, 7.4 and 7.13 of the AML/CFT Guidelines for FIs have provisions that meet the requirements of this criterion.

47. **Criteria 16.15 [Met] -** As set out in the 2022 MER, beneficiary financial institutions are required to have effective risk-based policies and procedures for determining when to execute, reject, or suspend a wire transfer lacking required originator or required beneficiary information; and the appropriate follow-up action (including filing an STR to the FIU (Para 5.14, AML/CFT Guidelines for FIs).

48. **Criterion 16.16 [Mostly Met]** – As set out in the 2022 MER, Paragraph 5.16 of the AML/CFT Guidelines for FIs particularly applies to MVTS providers and requires them to comply with the wire transfer requirements as described in R.14. However, the minor deficiencies identified in the 2022 MER in relation to R. 14 have an adverse impact on the rating for this criterion.

49. **Criterion 16.17 [Partly Met]** –

(a) **[Mostly Met]** As set out in the 2022 MER, in the case of an MVTS provider that controls both the ordering and the beneficiary side of a wire transfer, the MVTS provider should take into account all the information from both the ordering and beneficiary sides (Para 5.16, AML/CFT Guidelines for FIs). General provisions would apply regarding determining when an STR has to be filed (see R.20).

(b) **[Not Met] –** As set out in the 2022 MER, there is no specific obligation in the law or AML/CFT Guidelines for MVTS provider that controls both the ordering and the beneficiary side of a wire transfer to file an STR in the country affected by the suspicious wire transfer and to make relevant transaction information available to the FIU.

50. **Criterion 16.18 [Met] -** As set out in the 2022 MER, FIs are required to take freezing action and refuse transactions with designated persons and entities, as per obligations set out in the relevant UNSCRs relating to the prevention and suppression of terrorism and TF, such as UNSCRs 1267 and 1373, and their successor resolutions in relation to all transactions, including wire transfers (Para 5.20 and 5.21, AML/CFT Guidelines for FIs).

Weighting and conclusion

51. The Gambia has adequate measures to implement the FATF requirements on wire transfers. However, there is no specific provision requiring the ordering FI to make the information available within three business days of receiving the request either from the beneficiary FI or from appropriate competent authorities (c16.6). In addition, there is no obligation for a MVTS provider that controls both the ordering and beneficiary sides of a wire transfer to file an STR in the country affected by the suspicious wire transfer and to make relevant transaction information available to the FIU (c16.17b). These are considered minor in the context of The Gambia.

52. On this basis, Recommendation 16 is re-rated LC.

Recommendation 34 (Originally Rated PC)

53. The Gambia was rated PC on R.34 in its 2nd MER. The report found that AML/CFT Guidelines / Regulations have not been published in gazette in line with Section 11(d) of The

Gambia's Interpretation Act, No. 11 of 1968, and were therefore not enforceable means. In addition, there was limited feedback to reporting entities, especially on patterns and trends of ML/TF.

54. **Criterion 34.1 [Partly Met]** – **Guidance:** As set out in the 2022 MER, §5(i) of the AML/CFT Act empowers the FIU to issue guidelines to reporting entities in consultation with supervisory authorities. Similarly, §71(3) of the Banking Act empowers the Central Bank to issue guidelines. The authorities have issued some guidelines on AML/CFT in order to set a common minimum standard for the understanding of ML/TF risks and ensure compliance by the FIs and the DNFBPs with AML/CFT requirements in the country. These include the AML/CFT Guidelines for FIs in The Gambia, 2016 jointly issued by the Central Bank of The Gambia and the FIU; and the AML/CFT Guidelines for DNFBPs, 2016 and the AML/CFT Risk Assessment and RBA Guidelines for Reporting Entities, 2016 issued by the FIU. These Guidelines are detailed and include a number of indicators to assist reporting entities in identifying and reporting suspicious transactions. For instance, the guidelines for DNFBPs incorporates STR reporting template to facilitate the filing of STRs. Similarly, the Guidelines on risk assessment clarifies the obligation on risk assessment on all customers. The Central Bank has also independently issued some regulations, including the *Revised Regulations for the Licensing and Operations of Foreign Exchange Bureaus, 2019,* and *the Insurance Regulation, 2005.*

55. The Regulation for the Provision of Mobile Money Services, 2011 was repealed and replaced with Guidelines on Provision of Retail Payment Services Regulations, 2023 and published in a gazette. Para 9 of the Regulation provided for authorization procedures which includes requirements for AML/CFT internal control mechanisms (Par 9(2)(h)). Amongst other things, the Regulation provides for record keeping (Para 28 and 29); revocation or suspension of operator that breaches the provisions of the Regulation (Para 10); compliance requirements and risk management (Para 17); and oversight/supervision by the Central Bank (Para 30).

56. The Guidelines/regulations on AML/CFT Risk Assessment and RBA Guidelines for Reporting Entities and the Revised Regulations for the Licensing and Operations of Foreign Exchange Bureaus have not yet been published in a gazette. These two Guidelines/Regulations largely supplement the key AML/CFT Guidelines that have been published in a gazette, as such their non-publication in a gazette is considered a minor shortcoming.

57. Regarding **feedback**, the FIU provided feedback to financial institutions on STRs received and also disseminated to reporting entities and other competent authorities, an advisory on the emergence of business email compromise (BEC) in The Gambia to alert them of emerging risks associated with the conduct of financial transactions through email instructions as well as GIABA Typology Report on ML/TF Resulting from Corruption in West Africa (November 2022) to banks and some stakeholders to broaden their understanding of corruption typologies to facilitate identification of corruption cases / corruption related suspicious transactions. The FIU also provided to examined financial institutions, feedback on the outcomes of AML/CFT onsite supervision it conducted, as well as, an advisory for banks on AML/CFT deficiencies identified during FIU onsite examinations (2019-2021). With regard to DNFBPs, feedback was provided to one real estate agent examined during the review period. Although this is noted, it is considered inadequate given the number of DNFBPs identified as high-risk in the country's NRA. In addition, despite indicating that the FIU produces annual reports (copy not provided), the Unit does not publish these reports on its website, which limits the scope of feedback to reporting entities. There is no evidence that other competent authorities, including the Central Bank of The Gambia or self-regulatory bodies (SRBs) provided feedback to reporting entities post MER adoption.

Weighting and conclusion

58. The Gambia has issued key AML/CFT Guidelines/Regulations to FIs and DNFBPs to assist the entities in applying national AML/CFT measures, including detecting and reporting suspicious transactions. However, feedback was largely limited to FIs.. The FIU does not publish its annual reports on its website which limits the scope of feedback to reporting entities. There is no evidence that other competent authorities, including the Central Bank of The Gambia or SRBs provided feedback to reporting entities. These are considered moderate shortcomings.

59. **On this basis, R. 34 is maintained at PC.**

IV CONCLUSION

60. Overall, The Gambia has made significant progress in addressing the technical compliance deficiencies identified in its MER and has been re-rated Compliant on Recommendation 13 and Largely Compliant on Recommendations 1 and 16. Insufficient progress has been made to support a re-rating for Recommendation 34.

61. Table 2 below shows The Gambia's MER ratings and reflects the progress it has made, including any re-ratings based on this report:

Table 2. Technical Compliance Ratings[3] (May 2024)

R.	Rating
1.	PC (MER 2022) ↑LC **(FUR 2024)**
2.	LC (MER 2022)
3.	PC (MER 2022)
4.	LC (MER 2022)
5.	PC (MER 2022)
6.	NC (MER 2022)
7.	NC (MER 2022)
8.	PC (MER 2022)
9.	C (MER 2022)
10.	PC (MER 2022)
11.	C (MER 2022)
12.	PC (MER 2022)
13.	PC (MER 2022) ↑ C **(FUR 2024)**
14.	PC (MER 2022)
15	NC (MER 2022)
16.	NC (MER 2022) ↑ LC **(FUR 2024)**
17.	PC (MER 2022)
18.	LC (MER 2022)
19.	PC (MER 2022)
20.	C (MER 2022)

R.	Rating
21	C (MER 2022)
22	PC (MER 2022)
23	LC (MER 2022)
24	PC (MER 2022)
25	PC (MER 2022)
26.	LC (MER 2022)
27.	LC (MER 2022)
28.	PC (MER 2022)
29.	LC (MER 2022)
30	LC (MER 2022)
31.	LC (MER 2022)
32.	LC (MER 2022)
33.	LC (MER 2022)
34.	PC (MER 2022) ↔PC **(FUR 2024)**
35.	PC (MER 2022)
36.	LC (MER 2022)
37.	LC (MER 2022)
38.	PC (MER 2022)
39.	LC (MER 2022)
40	LC (MER 2022)

[3] Note: There are four possible levels of technical compliance: compliant (C), largely compliant (LC), partially compliant (PC), and non-compliant (NC).

62. The Gambia has 22 Recommendations rated C/LC. The Gambia will remain in Enhanced Follow-up based on technical compliance ratings. The Gambia's next Enhanced FUR is due in May 2025.

Annex to the FUR

Summary of Technical Compliance – Deficiencies underlying the ratings[3]

Recommendations	Rating	Factor(s) underlying the rating
1. Assessing risks & applying a risk-based approach	PC (MER 2022) LC (FUR 2024)	• Non-comprehensiveness of the NRA Action Plan with regards to allocation of resources for the mitigation of ML/TF.
2. National cooperation and coordination	LC	• There is no coordination mechanism in place to combat PF.
3. Money laundering offences	PC	• The AML/CFT Act restricts the ML offence to the predicate offences listed in its Schedule II, which excludes tax crimes. • The Gambia has not criminalised migrant smuggling and market manipulation.
4. Confiscation and provisional measures	LC	• There are no mechanisms in place to manage frozen or seized properties before the final disposal of such properties.
5. Terrorist financing offence	PC	• The TF offence does not cover the financing of an individual terrorist for any purpose. • The financing of foreign terrorist fighters is not criminalised.
6. Targeted financial sanctions related to terrorism & TF	NC	• Provisions are not in place to ensure the effective implementation of the requirements of UNSCR 1267/1989 (Al Qaida) and 1988 sanctions regimes and 1373.
7. Targeted financial sanctions related to proliferation	NC	• The Gambia has not adopted measures legislation or measures and procedures to implement TFS to comply with UNSCR regarding the prevention, suppression and disruption of proliferation of WMD and its financing.
8. Non-profit organisations	PC	• Decree 81 does not provide effective, proportionate and dissuasive sanctions. • Decree 81 is not explicit on the role of the NGOAA in ensuring co-operation, co-ordination and information sharing. • Membership of TANGO is voluntary, it is therefore not clear how TANGO can facilitate co-operation and co-ordination among NPOs.
9. Financial institution secrecy laws	C	• The Recommendation is fully met.
10. Customer due diligence	PC	• Some of the requirements for CDD in place in The Gambia are provided in the AML/CFT Guidelines for FIs which is not enforceable.

Recommendations	Rating	Factor(s) underlying the rating
11. Record keeping	C	• The Recommendation is fully met.
12. Politically exposed persons	PC	• The requirement for FIs to establish risk management systems to determine whether a customer or the BO is a PEP does not cover new customers. • The definition of PEP does not cover PEPs linked to international organisations.
13. Correspondent banking	PC (MER 2022) C (FUR 2024)	• All the criteria are met.
14. Money or value transfer services	PC	• No specific action has been taken with a view to identifying natural or legal persons that operate MVTS without licences. • There is no specific requirement for MVTS providers that use agents to monitor them for compliance with AML/CFT programmes.
15. New technologies	NC	• There are no requirements for FIs to undertake risk assessments of new technologies and to do so prior to the launch or use of such technologies. • There are no provisions that meet the requirements of c15.3-c15.11.
16. Wire transfers	NC (MER 2022) LC (FUR 2024)	• There is no specific provision requiring the ordering FI to make the information available within three business days of receiving the request either from the beneficiary FI or from appropriate competent authorities. • There is no specific obligation in the law or AML/CFT Guidelines for MVTS provider that controls both the ordering and the beneficiary side of a wire transfer to file an STR in the country affected by the suspicious wire transfer and to make relevant transaction information available to the FIU.
17. Reliance on third parties	PC	• There is no express requirement that the ultimate responsibility for identifying and verifying the identity of the customer remains with the FI relying on the third party. • There is no provision that meet the requirements of c17.2. • The shortcomings under R.10 apply.
18. Internal controls and foreign branches and subsidiaries	LC	• The programmes to be implemented are not required to be based on the ML/TF risk and size of the business. • Trainings are not required to be on ongoing basis.
19. Higher-risk countries	PC	• There is no explicit requirement that this should be based on the call by the FATF. • There is no existing legal basis which requires the application of countermeasures within the framework of element (b) of c19.2. • There are insufficient measures in place to ensure that FIs are advised of concerns about weaknesses in the AML/CFT system of other countries.

Recommendations	Rating	Factor(s) underlying the rating
20. Reporting of suspicious transaction	C	• The Recommendation is fully met.
21. Tipping-off and confidentiality	C	• The Recommendation is fully met.
22. DNFBPs: Customer due diligence	PC	• The deficiencies identified in R10, R12, R15 and R17 also apply here
23. DNFBPs: Other measures	LC	• The deficiencies identified in R19 also apply here
24. Transparency and beneficial ownership of legal persons	PC	• The Gambia has not assessed the ML/TF risk associated with all the different types of legal persons in the country • The Gambia limits the disclosure of information on nominee shareholder to public companies. • There are no explicit measures in place to ensure that companies update the beneficial ownership information • There are no explicit provisions or measures in place to ensure that companies co-operate with competent authorities • There are no sanctions to deal with failure to provide beneficial ownership information. • As regards nominee shareholding and directors, there are no mechanisms to ensure that criminals do not abuse private companies for ML/TF
25. Transparency and beneficial ownership of legal arrangements	PC	• The Guidelines regulating activities related to professional trustees is not enforceable. • Trustees of an express trust are not obliged to hold adequate, accurate and current information on the trustee, settlor, protector, and beneficial owner of trusts.
26. Regulation and supervision of financial institutions	LC	• The supervision of non-bank financial institutions is not risk-based
27. Powers of supervisors	LC	• There is no legal basis to supervise FIs for compliance with TF-related TFS.
28. Regulation and supervision of DNFBPs	PC	• Regulatory measures are not robust enough to prevent criminals or their associates from owning and or managing casinos and other DNFBPs in the Gambia. • The FIU (Supervisor of DNFBPs) does not have powers to directly impose administrative sanctions in line with R.35 to deal with violations of AML/CFT requirements. • There is no requirement for supervisory authorities to review the ML/TF risk profiles and internal risk assessments prepared by DNFBPs • No AML/CFT supervision has been undertaken in the DNFBP sectors
29. Financial intelligence units	LC	• The FIU has not conducted any strategic intelligence • There is no express requirement for the FIU to disseminate information upon request.

Recommendations	Rating	Factor(s) underlying the rating
30. Responsibilities of law enforcement and investigative authorities	LC	• The ACC exists in law only and is not in operation.
31. Powers of law enforcement and investigative authorities	LC	• There are no provisions relating to undercover operation when investigating other criminal conduct, including ML, predicate offences except drug crime, and TF
32. Cash couriers	LC	• The Gambia's disclosure system does not explicitly require travellers to give a truthful answer • There is no provision that meets the requirements for c32.4
33. Statistics	LC	• Some of the statistics are not sufficiently maintained in a comprehensive manner
34. Guidance and feedback	PC (MER 2022) PC (FUR 2024)	• There is limited feedback to DNFBPs. • Other than the FIU other supervisors, and SRBs do not provide feedback to reporting entities under their purview.
35. Sanctions	PC	• The FIU is required under the AML/CFT Act to apply to the court for an order to enforce compliance which may pose some practical difficulties. • The administrative sanctions in place appear limited in scope. • Administrative sanctions provided in the Guidelines/Regulations are not enforceable as they have not been published in the Gazette • There are no sanctions applicable to the NGOs.
36. International instruments	LC	• The Gambia does not have measures in place to confiscate property of corresponding value consistent with Article 12(a) of the Palermo Convention
37. Mutual legal assistance	LC	• There is no process to priorities and execute MLA requests, or a case management system to monitor incoming and outgoing requests • Regarding dual criminality, the AML/CFT law does not address situations where offences are not categorised or denominated by the same terminology.
38. Mutual legal assistance: freezing and confiscation	PC	• The Gambia does not have a robust mechanism for managing assets; • The Gambia lacks the legal basis to provide assistance on requests for cooperation made on the basis of non-conviction-based confiscation proceedings
39. Extradition	LC	• The Gambia has not implemented a case management system for timely execution and prioritisation of extradition requests • There is no requirement that dual criminality be satisfied where both countries have criminalised the conduct underlying the offence even where the offence is not placed within the same category by the countries

Recommendations	Rating	Factor(s) underlying the rating
40. Other forms of international cooperation	LC	• There is no explicit provision requiring financial supervisors to conduct inquiries on behalf of foreign counterparts or facilitate the ability of foreign counterparts to conduct inquiries themselves in the country or to facilitate effective group supervision • Absence of specific provisions to have prior authorisation or consent of the requested financial supervisors to disclose information exchanged.

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Anti-money laundering and counter-terrorist financing measures in The Gambia

Follow-up Report & Technical Compliance Re-Rating

This FUR analyses the progress of The Gambia in addressing the technical compliance requirements of the FATF Recommendations being re-rated since their Mutual Evaluation in June 2024.

Follow-up Report