INTER-GOVERNMENTAL ACTION GROUP
AGAINST MONEY LAUNDERING IN WEST
AFRICA

Seventh Follow Up Report

Mutual Evaluation



THE GAMBIA

NOVEMBER 2013

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I. INTRODUCTION

1. The table below will be filled by the country and then submitted to GIABA two months before the plenary.

Partially Compliant (PC)	**Non-Compliant (NC)**
Legal Systems 1. ML Offence	12. DNFBP – R5, 6, 8 – 11
5. Customer Due Diligence	13. Suspicious transaction reporting
6. Politically Exposed Persons	15. Internal controls, compliance and audit.
7. Correspondent Banking	18. Shell banks
10. Record keeping	20. Other NFBP and secure transactions techniques.
17. Sanctions	22. Foreign branches and subsidiaries
21. Special attention for higher risk countries	23.Regulation, supervision and monitoring
33. Legal persons – beneficial owners	24. DNFBP – regulation and monitoring
34. Legal arrangements beneficial owners	25. Guidelines and feedback
36. Mutual legal assistance (MLA)	26. The FIU
37. Dual criminality	30. Resources, integrity and training
39. Extradition	31. National co-operation
40. Other forms of co-operation	32. Statistics
SR.I Implement UN instruments	

II. SUMMARY OF THE PROGRESS MADE BY (COUNTRY) SINCE (MUTUAL EVALUATION DATE)

2. A Mutual Evaluation was conducted on the Gambia between April 14 and 23 2008. The report of the on-site visit, which was adopted by plenary in November 2008, highlighted a number of weaknesses in the AML/CFT regime of the country. Of particular concern were the inadequacies of the law. Other key areas of growing concern were the slow nature of the law review process, the absence of a National Correspondence and the inactivity of the inter-ministerial committee.

3. Since the sixth follow-up report, the country continues to make progress as follows:

- Appointment of the Director of the Independent Financial Intelligence Unit, Mr. Buba Bojang
- Increased coverage to include DNFBPs
- Issuance of an AML/CFT guideline for DNFBs
- Secondment of staff to the FIU from the Police and the Central Bank of The Gambia
- An upward revision of the FIU budget has been proposed for inclusion in national budget for 2014 to ensure a more effective operations of the FIU.

- Ratification of the UN Conventions Against Corruption and International Financing of Terrorist is at an advanced stage.
- Intensification of the meeting Chief Compliance Officers' forum in which the Central Bank now participates as mentor.
- Following changes in the leadership of stakeholder institutions, the Inter-ministerial committee conducted a sensitization session.

4. However, the country's AML/CFT regime is faced with a main challenge of coming up with a national strategy with the assistance of GIABA. This could go a long way in providing the much needed guidance for the different stakeholders in pushing the agenda forward. This workshop is scheduled to take place in late October 2013.

III. CONCLUSION

5. Progress have been registered from the last plenary to date prominent among which are the appointment of the Director General of FIU and broaden of coverage of the reporting of STR to include DNFBPs and capacity building.

FORTY RECOMMENDATIONS	RATING	SUMMARY OF FACTORS UNDERLYING RATINGS	WHETHER IDENTIFIED DEFICIENCY HAS BEEN RESOLVED	DESCRIPTION OF ACTIONS TAKEN OR BEING TAKEN TO RESOLVE DEFICIENCY
Legal Systems 1. ML Offence	PC	The MLA does not provide for all the predicate offences specified in the FATF 40 Recommendations. The threshold of two years for the predicate offences of money laundering is too high. Most predicate offences have been excluded under the ML Act. The law is ambiguous in designating the authorities responsible for the implementation and the enforcement of the ML Act. The investigators and prosecutors responsible for the implementation of the ML Act are not trained and equipped with the necessary human and material resources to enhance the effective implementation of the law. The implementation of the law by relevant agencies has not been effective.		• The MLA 2003 has been revised; a new AML/CFT Act 2012 has been passed into law by National Assembly. • The Act clearly establishes the Financial Intelligence Unit and its Governing Board, each having specific and distinct roles and responsibilities. • The operational structures have been clearly specified in the law. • Various stakeholders have benefited from trainings organized by GIABA; however, more training is needed to enhance capacities. See also R27 • Money laundering definition is the wording of the relevant UN Conventions. Criminal conduct is defined through a threshold approach, with the threshold set at imprisonment for a period of not less than six months. This thresholds captures all predicate offences listed in the FATF Recommendations;
2. ML offence – mental element and corporate liability	LC	The law is ambiguous in designating the authorities responsible for the implementation and the enforcement of the ML Act. The investigators and prosecutors responsible for the implementation of the ML Act are not trained and equipped with the necessary human and material resources to enhance the effective implementation of the law. The implementation of the law by relevant agencies has not been effective.		• Under sections 22 and 23 of the AML/CFT Act, legal entities are subject to criminal liability in case of money laundering or terrorism financing. • The new law concisely spelt out the various structures and committees for the full implementation of a robust AML/CFT framework. • The FIU is given power to implement the new law in collaboration with the other state agencies. • A number of investigators and prosecutors have gone through some training but more TA is need in this area. • With the enactment of the new law, its implementation is a high priority to stakeholders.

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				• The inter-ministerial committee Continues to be functional and recently under took a sensitization of its new members following changes of representatives of some member institutions. • A new Director General FIU has been appointed
3. Confiscation and provisional measures.	LC	There is no effective mechanism in place to ensure efficient tracing and identification of money laundering and terrorist financing cases. The FIU does not have the capacity to receive and analyze STR to assist the LEAs in the investigation of ML/TF cases. No training has been provided to personnel of law enforcement agencies, the FIU, the Central Bank, and the prosecutors on the application of freezing and confiscation measures.		• The AML/CFT Act 2012 contains a comprehensive and innovative set of provisions on restraint, seizure and forfeiture of assets in relation to ML and TF, including procedures for property tracking, ensuring effectiveness of confiscation orders, confiscation where a person dies or absconds, registration of restrained property, and confiscation of equivalent value. • The FIU staff, LEA, and other supervisory staff of CBG have under gone series of training and this is • The FIU has conducted a number of training sessions for commercial banks and this is expected to be an on-going basis. Similar trainings are scheduled for the Police and other stakeholders. • FIU is also represented in the Chief Compliance Official forum, which platform is also used for sensitization on a continued basis. • Between May 2013 and October 2013, the FIU received 5 STRs, of which 2 were forwarded to the LEA for investigations. • Capacity building is an on-going process and the FIU is exploring all available avenues to enhance stakeholder capacity.
5. Customer Due Diligence	PC	The CDD document exempts customers who conduct one-off transactions from the requirement to provide details as required by FATF 5.		The GCDD has been revised and all the deficiencies have been addressed. This includes the identification ofcasual customers (section 25 e), application of risk based approach to CDD and terrorism financing.

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		The obligation under SR VII for the identification of wire transfer originators is not covered under R. 5 There is no effective monitoring in place to determine the level of compliance by FIs with the risk based approach in the conduct of CDD measures. The implementation of the GCDD is ineffective. The measures in the GCDD does not cover terrorist financing directly.		
6. Politically Exposed Persons	PC	Neither the MLA nor the CDD require FIs to obtain senior management approval before establishing a business relationship with a PEP. The requirement to obtain senior management approval to continue the business relationship entered into with a PEP before the person became a PEP is not directly stated in the ML Act or in the GCDD. The definition of PEPs should be included in the ML Act so that there will be a direct obligation for the FIs to act. There is no effective implementation of the risk based approach in the Identification of PEPs by FIs.		• This has been factored in the new GCDD and AML/CFT Act. • The definition of PEP is directly stated in section 25 (d) of the AML/CFT Act 2012. The Act requires reporting entities to obtain approval of senior management before establishing a business relationship with a PEP and to conduct enhanced monitoring of the business relationship. • FIs and NFIs are required to apply RBA as relating to their internal AML/CFT controls.
7. Correspondent Banking	PC	The ML Act and the GCDD document do not clearly and directly require FIs to document the respective AML/CFT responsibilities of each institution. The existing law and guidelines do not address the measures FIs are required to take		• Duties of reporting entities are clearly stated in section 43 of the AML/CFT Act 2012.

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		where a correspondent relationship involves the maintenance of "payable through account." The measures under R.7 are not being Effectively implemented by the FIs.		
8. New technologies non-face-to-face business	LC	The GCDD is not being effectively implemented. The FIs have not commenced full and broad application of the measures and policies under the Guidelines on Electronic and Internet Banking in the GCDD.		• Implementation of the GCDD is being enforced and monitored during on-site examinations resulted in reporting entities taking serious attentions or risk penalty
10. Record keeping	PC	The Assessors were not able to review examination manual for insurance industry to ascertain that the coverage include record keeping; The MFI Supervision Unit in the Central Bank showed limited knowledge of the MLA requirements. The implementations of the record keeping requirements do not cover all reporting entities. There is no effective implementation of the record keeping requirements under the ML Act.		• Record keeping requirements are fully addressed in section 27 of the AML/CFT Act 2012. They target all reporting entities • Capacity building is on-going in terms of short term trainings. • While banks are now in compliant with record keeping obligations, DNFBPs are currently been engaged on their record keeping obligation. has been. / Compliance monitoring is an on going basis.
11. Unusual transactions	LC	FIs are not required to keep records of their findings related to unusual transactions There is no effective implementation of the requirements of the MLA provisions for monitoring of complex and unusual transactions.		• These deficiencies have been addressed in section 30 of the new AML/CFT Act 2012 and the revised GCDD.

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12. DNFBP – R5, 6, 8 – 11	NC	<u>Applying R.5</u> • Those DNFPBs included in Schedule 1 of The Money Laundering Act 2003 are not required to have KYC/CDD procedures in place. • They are not applying the wide range of CDD measures under R5. • Lack of regulatory control, guidance and enforcement has meant that there has not been any effective implementation of CDD measures in this sector. • The rest of the DNFPBs are under no obligation to have AML/CFT procedures in place and do not. <u>Applying R.6.</u> • No requirements for DNFBPs to monitor PEPs and apply risk based approach in dealing with them. <u>Applying R.8.</u> • For DNFPBs, there is no obligation to have policies in place or take such measures as may be necessary to prevent the misuse of technological developments in AML/CFT. <u>Applying R.9</u> • For DNFPBs, there are currently no enforceable obligations with regards to Introduced business.		• The KYC/CDD and reporting requirements of DNFBPs now clearly stated in the law. This includes the risk based approach, the requirement to enhance due diligence when dealing with PEPs, record keeping obligations for the same period of time as foreseen for financial institutions, the special monitoring of complex and unusually large transactions, reporting thresholds for certain categories of DNFBPs (3000 USD or equivalent for casinos, 15000 USD or equivalent for dealers in precious metals and stones) • Following the passage of the AML/CFT Act 2012, the FIU has completed the drafting of the guidelines for DNFBPs this has been reviewed by the UNODC regional Advisor on AML/CFT suggested the inclusion of risk base approach, this was done and copies have been circulated to DNFBPs. (see attached copy) • These deficiencies have all been addressed in the new AML/CFT Act 2012 • The FIU has developed and issued guideline to DNFBPs. This guideline makes it an obligation for DNFBPs to have policy in place necessary to take measures against any misuse of technological developments. This is amply mentioned and explained in section 3 of the guideline. • the current CDD policy document for DNFBPs (section 3) required all DNFBPs to verify the identity of both the client and the agent/trustee unless the client is self regulatory or regulated

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		Applying R.10. □ Only some of the DNFPBs are required to keep records longer than five years subject to the deficiencies noted under R10. Applying R. 11. □ The DNFPBs are under no obligation to pay specific attention to complex or unusually large transactions, unusual patterns of transactions, or those that have no apparent economic or lawful purpose. Recommendation 12 □ There has been no attempt to implement the provisions of Recommendation 12 by The Gambian Authorities to all designated non-financial businesses and professions. □ There is no threshold for reporting Obligations for the Casinos. □ The FIU have not developed any guidance for the covered entities. □ There has not been any assessment of the threats and risks of ML/FT in the DNFBP sectors. □ The designated DNFBPs which are covered by the Money Laundering Act 2003 are not under AML/CFT regulatory control or provided with any guidance or Meaningful training.		institution before a business relationship is establish. • The AML/CFT act 2012 section 27, 43 now covers all DNFBPs on record keeping requirements;. • The new AML/CFT act 2012 section 30 (a) concisely gave provisions for reporting entities to pay special attention to complex, unusual or large transactions, any unusual patterns of transactions that have no apparent or visible economic or lawful purpose. • The financial intelligence unit has drafted and distributed guidelines to all designated non financial businesses and professions, it is now mandatory for DNFBPs to fully comply with the dictates of the AML/CFT act 2012 in addition CDD already issued. • The threshold for reporting obligations for the Casinos is **USD 3,000.00**. This is contained in section 5.02 (a) of the guideline FIU issued to DNFBPs.
13. Suspicious transaction reporting	NC	□ Not all predicate offences required under Recommendation 1, have been included as a predicate offence under the Act.		• AML/CFT Act 2012 now carries a list of all the predicate offences

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		There is no guidance or directive from the FIU to the FIs and DNFBPs to report STRs linked to FT. No training has been provided to most of the reporting entities, particularly the DNFBPs on the reporting of STRs. Few FIs have commenced reporting to the supervisory authorities. In August, the FIU reported the receipt of 10 reports out of which 4 were forwarded to the Police for further investigation. The reporting of STRs is ineffective due to lack of supervision of the process by the FIU.		• Some reporting entities have received trainings; however, more training is intended to be carried out for DNFBPs. • Issuance of the Guideline on AML/CFT for DNFBPs.
14. Protection and no tipping-off	C			
15. Internal controls, compliance and audit.	NC	The CBG is not efficient in the monitoring of the extent to which the FIs are implementing the internal control measures and the compliance requirements There is no direct obligation to appoint Compliance Officers at Senior Management level. Staff may not always have access to customer records. Training on AML/CFT measures has not been provided for most staff of FIs. The overall implementation of the Recommendation across the FIs, NFIs and DNFBPs is ineffective.		• The CBG has conducted series of on-site examinations; which extensively covers internal control measures of FIs • The FIs have appointed Chief Compliance Officers at management level following a directive from the CBG. • In 2009, the Bankers' Association set up a Chief Compliance Officers' Forum, which meets on a monthly basis to discuss AML issues. The FIU represented in these meetings. • With the assistance of GIABA, a national training was organised for compliance officers and staff of FIs on AML/CFT measures. • Since the adoption of the new Act the FIU also started reaching out to banks on a bilateral basis to sensitize them of the new Act, the new FATF Recommendations and AML/CFT vulnerabilities and risks in general.

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16. DNFBP – R13 – 15 & 21	NC	There has been no action to implement the provisions of Recommendation 16 by The Gambian Authorities. <u>Applying R.13 & 14.</u> • Only some of the DNFPBs are obliged to comply with R13 subject to its deficiencies as noted under R13. • Only the same select DNFPBs are covered by the provisions of R14. <u>Applying R. 15.</u> • DNFPBS are not obliged to establish internal controls to forestall money laundering or to take steps to train their staff on AML/CFT matters. • There is no requirement to appoint a compliance officer at senior management level. <u>Applying R.21.</u> • DNFPBS are not obliged to give special attention to businesses with countries that do not sufficiently apply the FATF Recommendations		• All these have been factored in the AML/CFT 2012 and in the revised GCDD 2012. All requirements, including reporting requirements and the duty to establish preventive measures and internal control procedures, apply to all DNFBPs • Following the directive issued by the Central all FIs now appointed chief compliance officers at management level • The compliance officers now a compliance officer's forum which meets on every last Thursday of the month. They have draft a bill which now awaits review by a legal person. This is all geared towards harmonizing efforts among stakeholders in combating ML/FT.

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17. Sanctions	PC	Authorities are not implementing the relevant sanctions. No FI or NFI have been sanctioned for non-compliance with AML/CFT measures. Sanctions are not broadly applied across all sectors. There no available statistics on previous sanctions imposed on NFIs and other FIs.		• The relevant sanctions have been included in the law and in the GCDD. The FIU has the authority to enforce compliance with the obligations under the Act, which includes applying to Court for purposes of imposing fines if the need arises. The full implementation will be addressed soon. This being said, since the AML/CFT Act 2012 was adopted very recently, it would seem unfair and counter productive for the FIU, CBG or other competent authorities to implement sanctions at this stage. Rather, emphasis will be put on outreach to reporting entities, to gradually bring them to comply with all requirements under the law.
18. Shell banks	NC	Neither the MLA nor any other financial institutions' legislation or regulation prohibits the setting up of shell banks. There is no provision in the MLA or rules that prohibits FIs from entering into a correspondence banking with shell banks. Financial institutions are not required to satisfy themselves that respondent financial institutions in a foreign country do not permit their accounts to be used by shell banks.		• In the new law and revised GCDD, the issue of Shell Banks have been addressed. The FIs and DNFBPs are required to fully implement them.
19. Other forms of reporting	C			
20. Other NFBP and secure transactions techniques.	NC	There has been no assessment of the level of ML and TF risk posed by other DNFBPs. No requirement for the covered ones to report to the FIU.		• All matters relating to this recommendation has been included in the new legislation. All the deficiencies to be addressed. • National coordination will be heightened to address them.

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		□ No mechanism in place to monitor the pawn shops and the gambling business for AML/CFT matters. □ Non-implementation of provisions to limit the use of cash in the economy.		
21. Special attention for higher risk countries	PC	□ There is no provision to apply appropriate counter-measures where a country continues not to apply the FATF Recommendations. □ There are no effective measures in place to ensure FIs are advised of concerns about weaknesses in the AML/CFT systems of other countries. □ There is no effective implementation of the provisions of the MLA with regards to countries that do not apply AML/CFT measures.		• These are addressed in the law and the GCDD. The implementation issues will be addressed as soon as possible.
22. Foreign branches and subsidiaries	NC	□ The MLA does not require the FIs to apply AML/CFT measures in foreign branches and subsidiaries when they are established. □ There are no requirements for communication with home country supervisor about the ability or inability of the FI to comply with AML/CFT measures consistent with home country requirements.		• This has been included in the new law and in the revised GCDD.
23.Regulation, supervision and monitoring	NC	□ There has not been an effective implementation of money laundering and terrorist financing supervision regime. □ Some MVTS and foreign exchange dealers who operate outside the city are not covered under the supervisory regime. □ The CBG has not reviewed or conducted any risk assessment in any of the financial sector or informal sector to determine the level of		• AML/CFT compliance assessment now forms part of on-site and off-site bank examination • Full scale assessments of all commercial banks have been completed in 2011. These were suspended in 2012 because of the introduction of new software. Bank on site examinations are scheduled to resume in 2013. They will capture AML/CFT issues as per the new Act. A staff

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		supervision that would be required in a low risk sector. Resources available to supervision authorities are limited.		member of the FIU will participate in these examinations • The new Act and GCDD addressed these concerns.
24. DNFBP – regulation and monitoring	NC	Casinos are not under a comprehensive regulatory and supervisory regime for AML/CFT purposes. The other DNFPBs are not subject to effective systems for monitoring and ensuring their compliance with the FATF Recommendations. No measures in place for the implementation of the provisions of Recommendation 24 by The Gambian authorities.		• Revised AML/CFT Act 2012 and necessary Guide lines are being developed for implementation.
25. Guidelines and feedback	NC	The authorities have issued no guidance to DNFPBs with regards to making STRs. As the STR system is not yet implemented in The Gambia and the FIU not functional, no feedback or specialized training has been provided to DNFPBs in order for them to detect suspicious transactions. There has been no effort to implement the provisions of Recommendation 25 by The Gambian authorities.		• Following enactment of the new law, CDD guidelines for DNFBPs have been developed and distributed to all DNFBPs. • Guidelines for DNFBPs is being revised and finalized s implementation will take into account a number of principles set out in the Revised FATF recommendations 2012. • DNFBPs are required to submit STRs using same template developed for financial institutions hitherto where applicable.
26. The FIU	NC	The ML Act does not provide a clear mandate regarding the operational autonomy of the FIU.		• AML/CFT Act 2012 gives a clear mandate for the FIU and provides for operational autonomy. The unit is housed within the CBG Department

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		There is no dedicated personnel and budget for the effective functioning of the FIU. The FIU does not have skilled personnel to analyze STRs. There is no secured environment for the receipt and storage of STRs. The FIU did not include the DNFBPs covered in the Act as reporting entities in their strategy plan. FIs were not instructed to submit STRs related to Financing of Terrorism. FIs have not received detailed guidance and training regarding their reporting obligations and the use of the newly circulated reporting formats. The FIU is not functional, as it lacks the human and material resources to efficiently and effectively discharge its primary roles of receiving, analyzing and disseminating STRs. There is no coordination mechanism in place with other government agencies. The sharing of financial intelligence with other FIUs may be inhibited as a result of the requirement under Section 36 of the ML Act for a formal bilateral or multilateral treaty to be in existence between The Gambia and another country before the information can be shared.		for Banking Supervision. This arrangement enables the unit to benefit from logistical support provided by the Bank (office space, IT and office equipment, physical security, internet, electricity and water supply, stationary, etc), with guarantees for an optimal physical autonomy for the FIU. • Now that the director has been appointed any time soon he assumes office autonomy of the unit will take effect. • Staff of seven is currently assigned to the FIU. This includes four staff working on the analysis of STRs. • The Minister of Finance allocated a budget line at the Central Bank specifically for the FIU. This budget line is already funded. The FIU director will be able to decide on expenditures without authorization from the CBG hierarchy. • The FIU was provided with the GIABA Analytical software and has started using it for some time, however the system/software is currently dysfunctional and reporting entities are filing STRs in hardcopies. • Reporting requirements apply to all reporting entities, both FI and DNFBPs, and target suspicions of money laundering, terrorism financing and other criminal conduct (section 33.1) • From to date FIU received five (5) STRs out of which two (2) forwarded to police for further investigation. • Under sections 5 (o) and 17 of the Act, the FIU may exchange information with foreign counterparts, even without having signed a MoU. • Further to a request for information from the NFIU the Gambia FIU managed to gather

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				relevant information from concern institutions/agencies and provide it to NFIU (Nigeria) though Gambia FIU and Nigeria NFIU did not sign any memorandum of understanding.
27. Law enforcement authorities	C			
28. Powers of competent authorities	LC	The powers of LEAs are not being properly applied. Investigations of money laundering and terrorist financing are not effectively implemented according to the laws.		• Investigations are being carried out.
30. Resources, integrity and training	NC	The ML Act does not provide for the operational autonomy of the FIU. There is no dedicated personnel and budget for the effective functioning of the FIU. The FIU does not have the skilled Personnel to analyze STRs. The FIU do not have adequate skilled staff to provide guidance and training to reporting entities. There is no funding committed to the development and implementation of AML/CFT strategy in the country. Training has not been provided to staff of the different supervisory and law enforcement agencies to enable them commence proactive implementation of the ML Act and the AT Act. There is no coordination framework for LEAs exchange of information and intelligence. The FIU do not have the capacity to coordinate efforts related to the development of guidance, training programs, and policy for the relevant Agencies. The prosecution office of the AG's		• The AML/CFT Act 2012 provides for an independent FIU with provision for different funding source. In the immediate future the FIU will be housed within the CBG, with Guarantees from the Governor and management of the Bank that the FIU will be able to operate independently. Also a dedicated budget line has been opened for the FIU. These will form part of the implementation stages of the law. • New staff has been employed for the FIU. • More training is required for relevant stakeholder personnel.

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		Chambers has not been trained on skills needed for the prosecution of terrorist financing.		
31. National co-operation	NC	There is no AML/CFT coordinating mechanism or national strategy in place in The Gambia. There is no operational cooperation amongst national institutions and law enforcement agencies. The Inter-ministerial committee do not cover the broad range of key government institutions such as the police, Customs, immigration and supervisory units for insurance, MFIs, and foreign exchange and SROs for DNFBPs. There is no ongoing consultation with DNFBPs. The FIU has not commenced the development of cooperation mechanism with other national institutions and has not developed any policy in this regard.		• The Inter ministerial Committee is now functional with a broader coverage of stakeholder institution as prescribed by the new law. • The FIU Governing Board held its inaugural meeting on 14 February 2013. The Board includes representatives from the Central Bank, the Ministries of Finance and of the Interior, the Revenue Authority and the Solicitor General. Board meetings will add to enhance national cooperation and coordination among agencies • The National Coordination Committee, which consists of an even wider range of stakeholders, is responsible for coordinating and fostering cooperation on all aspect related to the implementation of the Act. It has been meeting on a monthly basis since … under the former AML Act 2003. • GIABA's assistance to formulate a national strategic plan was sought to and is slated to take place from 19 – 21 October 2013.
32. Statistics	NC	No statistics were provided on STRs received by the FIU. There is no data system for the recording of receipted data on STRs. There is no data system for the collection of CTRs. No annual report has been published by the FIU. There is no information related to		• 72 STRs were received from reporting entities and 47 were forwarded to the police for further investigation. • An AML/CFT analytical tool has now been installed with the assistance of GIABA • Efforts are under way to fully implement the AML/CFT Act 2012 to address the remaining deficiencies.

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<tr><td></td><td></td><td>Prosecution and investigation of money laundering cases under the ML Act or the Drug Control Act.
 There is no available record on assets seized, frozen, confiscated and forfeited
 There is no record on mutual legal assistance and extradition matters initiated and concluded by the SOSFA or SOS for Justice Department</td><td></td><td>• As soon as the director assumes office and FIU became independent from the Central Bank, as part of its mandate shall compile and produce annual reports.
• (A) DRUG SEIZURES: JAN – AUGUST 2013
<table><tr><td>NO</td><td>DRUG TYPE</td><td>QUANTITY</td></tr><tr><td>1</td><td>Cannabis Sativa</td><td>839kg, 901g 1mg</td></tr><tr><td>2</td><td>Cocaine</td><td>9kg,414g, 360mg</td></tr><tr><td>3</td><td>Hashes</td><td>394g, 350mg</td></tr><tr><td>4</td><td>Controlled Tablets</td><td>492 tablets</td></tr></table>(B) PROSECUTION OF DRUG CASES: JAN – AUGUST 2013</td></tr>
<tr><td></td><td></td><td></td><td></td><td>1. Number of cases authorized for prosecution: 294
2. Number of cases registered in court: 194
3. Number of cases successfully prosecuted: 55</td></tr>
<tr><td></td><td></td><td></td><td></td><td>(C) During the reporting period, there was no confiscation of drugs</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>33. Legal persons – beneficial owners</td><td>PC</td><td> There is no requirement for the verification of the information filed in the registrar.
 The records of companies are manually driven, not well kept and data is not easily available and adequate.
 There is no secured storage system for information in the registry.
 Information on companies are not available on a timely and accurate manner.</td><td></td><td></td></tr>
</table>

FORTY RECOMMENDATIONS	RATING	SUMMARY OF FACTORS UNDERLYING RATINGS	WHETHER IDENTIFIED DEFICIENCY HAS BEEN RESOLVED	DESCRIPTION OF ACTIONS TAKEN OR BEING TAKEN TO RESOLVE DEFICIENCY
		Some information has been declared missing or lost in the process of moving around paper documents.		
34. Legal arrangements beneficial owners	PC	Information on beneficial owners are not available on a timely and accurate manner. The RG's office is under-staffed and lack the necessary equipment and resources to set up a database for legal arrangements and beneficial owners There is no verification process to validate information submitted on beneficial owners.		• More consultation is needed on this.
35. Conventions	LC	The FT Convention has not been ratified. The implementation of the ML Act, Antiterrorism Act, and the Drugs Act is not effective across all the agencies.		• It was discovered that the Gambia was not a signatory to the conventions. The matter was referred to the Ministry of Justice for Legal Advice • Inter-agency coordination and cooperation is now strengthened.
36. Mutual legal assistance (MLA)	PC	There is no comprehensive Mutual legal assistance legislation. There are no MLA guidelines or procedures for the law enforcement agencies. The time currently required for the processing of MLA requests is long and do not make for effective response. There is excessive restriction on the process related to granting of MLA requests under the ML Act. Only to countries that have signed bilateral or multilateral treaties with The Gambia can be granted MLA under the ML Act.		• AML/CFT Act 2012 addresses all these

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		The MLA process in The Gambia is not effective.		
37. Dual criminality	PC	Dual criminality is required in for the granting of assistance under the ML Act The ML Act provisions related to money laundering is too restrictive in the granting of MLA requests. The threshold set for predicate offences of money laundering is too high and is not in conformity with FATF standards. The threshold for predicate offences is inhibiting international cooperation.		• All these deficiencies have been factored in the AML/CFT Act 2012.
38. MLA confiscation and freezing	PC	Predicate offences do not include all the minimum designated categories of offences in the FATF glossary. The response to MLA requests is not timely and effective. The Gambia has not considered establishing an asset forfeiture fund for or authorizing the sharing of assets with other countries. Generally, international cooperation in ML/TF cases is not effective.		• The predicate offences have been expanded to include all the designated 20 predicate offences. See action taken under R3. • The remaining deficiencies should be addressed in earnest as enshrined in the new law.
39. Extradition	PC	The restriction of extradition requests to the list of extraditable offences inhibits cooperation. It is not possible to request for extradition based on warrants. Every request for extradition must go through the AG and through the courts. There is no simplified process to executing extradition requests.		• More Coordination and cooperation is needed as spelt out by the AML/CFT Act 2012. For purposes of the Act, money laundering and terrorism financing are extraditable offences.

FORTY RECOMMENDATIONS	RATING	SUMMARY OF FACTORS UNDERLYING RATINGS	WHETHER IDENTIFIED DEFICIENCY HAS BEEN RESOLVED	DESCRIPTION OF ACTIONS TAKEN OR BEING TAKEN TO RESOLVE DEFICIENCY
40. Other forms of co-operation	PC	There is no rapid and effective mechanism for granting of cooperation to other counterparts. Exchange of information is not Spontaneous. The exchange of information is required to be channeled through the SOSFA in most cases. Tax offence is not a predicate of money laundering and international cooperation cannot be obtained in that regard.		• More Coordination and cooperation is needed as spelt out by the AML/CFT Act 2012.

NINE SPECIAL RECOMMENDATIONS	RATING	SUMMARY OF FACTORS UNDERLYING RATINGS	WHETHER IDENTIFIED DEFICIENCY HAS BEEN RESOLVED	DESCRIPTION OF ACTIONS TAKEN OR BEING TAKEN TO RESOLVE DEFICIENCY
SR.I Implement UN instruments	PC	The FT Convention has not been ratified The implementation of SR III is not effective. There is no coordination mechanism in place for the implementation of Antiterrorism Act.		• The matter was referred to the Ministry of Justice for Legal Advice • Efforts to ratify the FT Convention are at advanced stage.
SR.II Criminalize Terrorist financing	LC	The agencies responsible for the implementation of the law are not aware of their responsibilities under the Act and this has inhibited effective implementation. No training has been provided to the Police on the investigation of terrorist Financing. There is no national strategy or coordination mechanism for the implementation of the legal framework. There is lack of effective implementation of the law.		• The deficiencies have been captured in the AML/CFT Act 2012. Efforts are under way to coordinate national efforts for the effective implementation a robust counter terrorism financing regime.
SR.III Freeze and Confiscate terrorist assets	PC	There is no coordination of freezing measures by various agencies involved in the implementation of freezing measures. There is no procedure in place for the implementation of the obligations under SR III. The financial institutions have not received any guidance on how to identify and freeze terrorists' funds. The police and CBG staff are not trained on how to implement SR III. There is no effective measure in place to ensure prompt response to requests from other countries.		• This will be addressed soon as required by the new AML/CFT Act.

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		There is no monitoring system in place to ensure compliance by reporting entities.		
SR.IV Suspicious transaction reporting	NC	There is no obligation in law or regulation requiring reporting entities to submit STRs on transactions linked to terrorists financing. Terrorist financing is not directly referred to as a predicate offence of money laundering.		• This has been incorporated in the new AML/CFT Act 2012. The reporting requirements cover suspicions of money laundering as well as of terrorism financing. Some reporting entities have reported STRs but their mandates should be broaden as stipulated by the new Act.
SR.V International Co-operation	LC	Response to MLA requests in terrorism cases is not timely and effective. There is no comprehensive MLA legislation or procedure in the country. The law enforcement agencies should put a mechanism in place for coordinating asset seizure and confiscation with other countries. Cooperation is only restricted to those who have signed treaties with The Gambia.		• A comprehensive AML/CFT law is now in place and all pending issues will be resolved soon.
SR.VI AML requirements for money/value transfer services	NC	The CBG/FIU has not issued any guidance note to MVTs regarding their obligation under the ML Act. The MVTs have not been monitored for AML/CFT compliance. No MVT has been sanctioned for noncompliance with the ML Act.		• This has not been addressed yet however the new legislation covers the MVTs. The implementation of this recommendation will follow soon.

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		There is no effective implementation of the SR VI obligations by the SA/FIU.		
SR.VII Wire transfer rules	NC	No legislation or guidance has been issued by the authorities to ensure compliance with Special Recommendation VII. No procedures have been put in place for the implementation of SRVII. The NFIs' implementation of the SR VII.is not supervised by the CBG. R.5 and other CDD measures do not apply to one off transactions relating to wire transfers.		• These have been addressed in the GCDD and the AML/CFT Act 2012.
SR.VIII Non-profit Organisations	PC	Outreach programmes have not been conducted to educate NGOs about threats and risks associated with terrorist financing. NGOs remain largely vulnerable to terrorists and terrorist groups. The NGO Agency is not aware of the nexus between its mandate and that of the FIU and other law enforcement agencies in the combating of terrorism and terrorist financing. The coordination between Government agencies is not effective.		• This is expected to be addressed with the reactivation of the Inter-ministerial committee. • The FIU to engage all stakeholders on AML and CFT.
SR.IX Cross Border Declaration & Disclosure	NC	There is no effective disclosure/declaration system in operation for cross border currency transportation. There is no co-ordination between the relevant authorities as how to deal with cross border currency detections.		• The AML/CFT Act 2012 requires currency declarations at the border posts (sections 48 and following). In case cash or bearer negotiable instruments are seized, the Act requires customs to immediately report such seizure to the Financial Intelligence Unit.

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		Customs staff are not trained, equipped or directed to look for cross border currency transportation. There is no effective implementation of SR IX as provided under the ML Act. Customs department do not maintain statistics on declarations made at the borders. There is no interface between the Customs and the FIU. No guidance has been issued regarding the implementation of SR IX.		• The various stakeholders will be sensitised on currency declaration at border posts • This will be an agenda item at the National coordination committee meetings to for the full and effective implementation of currency declaration • GIABA and others should provide the right equipment for the proper implementation of currency declaration