Anti-money laundering and counter-terrorist financing measures

Sierra Leone

5th Enhanced Follow-up Report & Technical Compliance Re-Rating



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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This assessment was adopted by written procedure at its November 2025 Plenary meeting.

Citing reference:

GIABA (2025), *Anti-money laundering and counter-terrorist financing measures – Sierra Leone, Fifth Enhanced Follow-Up Report and Technical Compliance Re-Rating, GIABA, Dakar*

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Sierra Leone: 5th Enhanced Follow-up Report & Analytical Tool

I INTRODUCTION

1. The GIABA Plenary adopted the mutual evaluation report (MER) of Sierra Leone in December 2020. This FUR analyses the progress of Sierra Leone in addressing the technical compliance (TC) 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 Sierra Leone has made to improve its effectiveness.

3. The assessment of Sierra Leone's request for technical compliance re-ratings and the preparation of this report was undertaken by Mr. Abdoulie Mbowe, Manager, Compliance and Prevention, Financial Intelligence Unit of The Gambia and Mr. Daniel Isei, Zonal Director, Ilorin, Economic and Financial Crimes Commission, Nigeria.

4. The experts were supported by Mr. Giwa Sechap, Principal Officer, Financial Institutions & Non-Financial Entities and Mr. Meo Debbah Beyan, Legal Officer, International Instruments and Other Enforceable Means, of the GIABA Secretariat.

5. Section IV of this report summarises Sierra Leone's progress to improve TC. Section V sets out the conclusion and a table illustrating Sierra Leone's MER ratings and updated ratings based on this FUR.

II FINDINGS OF THE MUTUAL EVALUATION REPORT & FOLLOW-UP

6. Sierra Leone's MER ratings[1] and updated ratings based on the 4th FUR[2] are as follows:

Table 1: Technical Compliance Ratings(May 2024)

R.	Rating
1	LC (MER 2020)
2	LC (MER 2020)
3	LC (MER 2020)
4.	LC (MER 2020)
5.	LC (MER 2020)
6.	PC (MER 2020)
7.	NC (MER 2020) ↔ **NC (FUR 2024)**
8.	NC (MER 2020)
9.	C (MER 2020)
10.	PC (MER 2020) ↑ LC **(FUR 2024)**
11.	C (MER 2020)
12.	LC (MER 2020)
13.	LC (MER 2020)

R.	Rating
21.	C (MER 2020)
22.	PC (MER 2020) ↑ LC **(FUR 2024)**
23.	PC (MER 2020)
24.	PC (MER 2020)
25.	PC (MER 2020)
26.	LC (MER 2020)
27.	LC (MER 2020)
28.	PC (MER 2020)
29.	LC (MER 2020)
30.	LC (MER 2020)
31.	LC (MER 2020)
32.	PC (MER 2020) ↑ LC **(FUR 2024)**
33.	LC (MER 2020)

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

[2] Sierra Leone's 4th FUR was adopted by GIABA Plenary in November 2024

14.	PC (MER 2020) ↑ LC **(FUR 2024)**
15.	PC (MER 2020) ↑ LC **(FUR 2024)**
16.	PC (MER 2020)
17.	PC (MER 2020) ↑ LC **(FUR 2024)**
18.	PC (MER 2020) ↑ LC **(FUR 2024)**
19.	PC (MER 2020)
20.	C (MER 2020)

34.	PC (MER 2020)
35.	LC (MER 2020)
36.	LC (MER 2020)
37.	PC (MER 2020)
38.	PC (MER 2020) ↑ LC **(FUR 2024)**
39.	PC (MER 2020)
40	LC (MER 2020)

7. Given the MER and FUR results, Sierra Leone was placed on Enhanced Follow-Up as of the last FUR.

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 14th May 2025. In line with the 2nd round 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 and 4th FUR and there have been no changes to the FATF Standards or their interpretation.

9. This section summarises the progress made by Sierra Leone to improve its TC by addressing some of the TC deficiencies identified in the MER (R.16, R.19, R.23, R.28, R.33, R.34, R.37 and R.39).

3.1 Progress to address technical compliance deficiencies identified in the MER/FUR

10. The main change in Sierra Leone since the adoption of the MER in December 2020 is the adoption of the Anti-Money Laundering and Combating of Financing of Terrorism and Financing the Proliferation of Weapons of Mass Destruction Act, 2024 (AML/CFT/PF Act). The AML/CFT/PF Act repeals and replaces the AML/CFT Act, 2012. This law addressed most of the deficiencies identified by MER 2020 in Sierra Leone's AML/CFT system, significantly improving the country's TC with the FATF Standards. Another notable change is the conduct of the sectoral ML/TF risk assessment on virtual asset service providers (VASPs).

11. Sierra Leone has made progress to address the TC deficiencies identified in the MER in relation to Recommendations 16, 23, 33, 37, and 39. Because of this progress, Sierra Leone has been re-rated on these Recommendations.

12. GIABA welcomes the progress achieved by Sierra Leone to improve its technical compliance with R.19, 28, and R.34. However, insufficient progress has been made to justify an upgrade of the rating of these Recommendations at this stage.

Recommendation 16 (Originally Rated Partially Complaint)

13. In its 2nd MER, Sierra Leone was rated PC on R.16. The shortcomings identified in the report relate to the lack of: legislation or measures and procedures that covers required beneficiary information; specific requirement for beneficiary FIs to verify the identity of the beneficiary of a cross border wire transfer if the identity has not been previously verified; and provision that meets the requirements of c16.17 relating to MVTS provider that controls both the ordering and the beneficiary side of a wire transfer. Since the MER,

Sierra Leone enacted the AML/CFT/PF Act 2024, which addresses some of the deficiencies identified in the MER on R16.

14. **Criterion 16.1 [Mostly Met] –** In Sierra Leone, wire transfer operations are primarily regulated by means of the AML/CFT/PF Act of 2024. Consistent with s69(1)(a)- (b)(ii) & (c) of the AML/CFT/PF Act, 2024, FIs are required, for the purposes of a wire transfer transaction, to: (a) identify and verify the identity of the originator; (b) obtain and maintain (i) the account number or unique reference number of the originator; (ii) the address, national identity number or date and place of birth and the name of the beneficiary; (iii) the account number or, the unique reference number of the beneficiary, and (c) include the information in paragraphs (a) and (b) in the message or payment form accompanying the transfer. Although, the identified deficiency in the MER has been addressed**,** the requirement of s69(1)(b)(ii) of the AML/CFT/PF Act 2024 is to obtain and maintain the address, or national identity number, or date and place of birth of the beneficiary and not for the originator as required by c16.1(a)(iii). In relation to the accuracy of the originator information[3], FIs are required to verify the identity of the originator which does not cover all originator information as required under c16.1

15. **Criterion 16.2 [Mostly Met] –** Section 69(7)(a-e) of the AML/CFT/PF Act 2024 provides that where several individual cross-border wire transfers from a single originator are bundled in a batch file for transmission to beneficiaries, financial institutions should obtain and retain (a) the name of the beneficiary; (b) the account number or the unique reference number of the beneficiary; (c) the purpose of the transaction; (d) the name of the originator; (e) the account number or unique reference number of the originator. Section 69(7)(a-e) is supplemented by Section 69(1)(a-c) of the Act which requires financial institutions to identify and verify the identity of the originator; obtain and maintain (i) the account number or unique reference number of the originator; (ii) the address, national identity number or date and place of birth and the name of the beneficiary; (iii) the account number or, the unique reference number of the beneficiary and include this information in the message or payment form accompanying the transfer. Overall, the batch file should contain required originator information and full beneficiary information, and the financial institution should be required to include the originator's account number or unique transaction reference number. In relation to the accuracy of the originator information[4], FIs are required to verify the identity of the originator which does not cover all originator information as required. In addition, the law is not explicit that the beneficiary information should be sufficient to enable traceable within the beneficiary country. These are considered minor in the context of Sierra Leone.

16. **Criterion 16.3 [Not Applicable]** – There is no threshold in the AML/CFT/PF Act 2024 for wire transfers. Section 69 (1) (a) – (b) of the AML/CFT/PF Act 2024 requires the retention of originator and beneficiary information for wire transfer transactions irrespective of the amounts. Thus, Sierra Leone does not apply a *de minimis* threshold for requirements relative to c.16.1 as full originator and beneficiary information is required for every domestic or cross border wire transfer.

17. **Criterion 16.4 [Not Applicable]** – The cascading effect of c.16.3 applies to this criterion. Notwithstanding, FIs are required to verify identification information pertaining to customers when there is a suspicion of ML/TF ((§ 60 (1) of the AML/CFT/PF Act 2024). Since the country (AML/CFT/PF Act 2024) law does not set thresholds for wire transfers, this criterion is Not Applicable.

18. **Criterion 16.5 [Met]** – Paras 11.06 and 11.08 of the Directives and Guidelines for FIs on the Prevention of ML/TF, 2016, provides that for domestic wire transfers, the ordering FIs are required to ensure

[3] In the Footnote to c16.1 - "Accurate" is used to describe information that has been verified for accuracy; i.e. financial institutions should be required to verify the accuracy of the required originator information.

[4] Ibid

that the information accompanying the wire transfer includes originator information as indicated for cross-border wire transfers..

19. **Criterion 16.6 [N/A] -** This criterion is not applicable because ordering FIs are required to include full originator and beneficiary information on all domestic wire transfers (see c.16.5) .

20. **Criterion 16.7 [Met] -** Sections 66(1)(2) & 69(11)(a) of the AML/CFT/PF Act, 2024 requires FIs, including ordering FIs to maintain records of their customers and transactions for at least 5 years. This requirement is broad and is understood to include originator and beneficiary information. Furthermore, all FIs are required to comply with the obligations of R.11 which was rated as compliant in the MER.

21. **Criterion 16.8 [Met] -** Section 69 (11) (b) of the AML/CFT/PF Act 2024, provides that an ordering financial institution should not execute a wire transfer if it does not comply with the requirements set out in criteria 16.1-16.7.

22. **Criterion 16.9 [Met] -** Par 11.10 of the Directives and Guidelines for FIs on the Prevention of ML/TF provides that if a financial institution is involved in the processing of an intermediary element of a cross-border wire transfer, the financial institution should ensure that all originator information that accompanies a wire transfer is retained with the transfer. Under s69 (9)(a) of the AML/CFT/PF Act 2024, an intermediary financial institution is required to retain originator and beneficiary information from a cross border or domestic wire transfer. The "retain" is understood to mean that all originator information that accompanies a wire transfer is retained with the transfer.

23. **Criterion 16.10 [Met] -** Intermediary FIs are required to keep a record of originator and beneficiary information from a cross-border or domestic wire transfer from an ordering or intermediary financial institution for at least five (5) years, where technical limitations prevent its retention (s69 (9)(b)) of the AML/CFT/PF Act, 2024).

24. **Criterion 16.11 [Met] -** Intermediary FIs are required to take reasonable measures, consistent with straight-through processing, to identify cross-border wire transfers that lack required originator or beneficiary information (s69 (9)(c)) of the AML/CFT/PF Act, 2024.

25. **Criterion 16.12 [Met] -** Intermediary FIs are required to have risk-based policies and procedures for determining: (a) when to execute, reject, or suspend a wire transfer that does not contain the required originator or beneficiary information, and (b) the appropriate follow up action (s69(8)(a), AML/CFT/PF Act 2024).

26. **Criterion 16.13 [Met] -** Beneficiary FIs are required to take reasonable measures, including post event monitoring or real time monitoring where feasible, to identify cross-border wire transfers that lack required originator or required beneficiary information (s69(10)(b), AML/CFT/PF Act, 2024).

27. **Criterion 16.14 [Met] -** Beneficiary FIs are required, irrespective of the amount, to verify the identity of the beneficiary of a cross-border wire transfer if the identity has not been previously verified (s69(10)(a), AML/CFT Act, 2024). Furthermore, reporting entities (including beneficiary FIs) are required to maintain records of identification and verification in accordance with record keeping requirements in R11 (s66, AML/CFT/PF Act, 2024).

28. **Criterion 16.15 [Met] -** Beneficiary FIs are required to have risk-based policies and procedures for determining: (a) when to execute, reject or suspend a wire transfer lacking required originator or beneficiary information and (b) the appropriate follow-up action (§69 (8)(a), AML/CFT Act 2024).

29. **Criterion 16.16 [Met] -** Section 69(13) of the AML/CFT/PF Act, 2024 requires MVTS providers to comply with the wire transfer requirements, whether they operate directly or through an agent.

30. **Criterion 16.17 [Mostly Met] -** Section 69(12)(a)(b) of the AML/CFT/PF Act 2024 requires MVTS providers that deal in ordering and beneficiary wire transfer to: (a) analyse ordering and beneficiary information and determine whether a suspicious transaction report is to be filed, and (b) file STR in a country affected by the suspicious wire transfer and make relevant transaction information available to the FIU. This provision does not expressly cover the MVTS that controls both the ordering and beneficiary.

31. **Criterion 16.18 [Mostly Met] –** As noted in the MER, Section 27 (1) of the TPR requires FIs to take freezing action or block the funds or any other economic resources belonging to a person or entity on the designated list (under United Nations, ECOWAS countries and Sierra Leone –Par 26 of TPR) or those connected to them as per the obligations set out in the relevant UNSCRs relating to the prevention and suppression of terrorism and terrorist financing, such as UNSCRs 1267 and 1373, and their successor resolutions. FIs are also required to check the list prior to conducting any transaction or establishing a business relationship with any person or entity. Section 27(2) makes dealing with such funds and resources an offence. However, it is not clear how FIs should deal with a list from a non-ECOWAS member State under UNSCR 1373 given the restriction in the list under Par 26 of the TPR.

Weighting and conclusion

32. Sierra Leone amended its AML/CFT Act 2012 in 2024 (AML/CFT/PF Act 2024) which addressed most of the deficiencies identified in the MER on R16. However, the law does not require FIs to obtain and maintain the address, national ID number or date and place of birth and the name of the originator. In addition, the law is not explicit: that the originator information should be accurate; that the beneficiary information should be sufficient to enable traceable within the beneficiary country; on how FIs should deal with a list from a non-ECOWAS member State under UNSCR 1373 given the restriction in the list under Par 26 of the TPR. These deficiencies are considered minor in the context of Sierra Leone.

33. **On this basis, Recommendation 16 is re-rated Largely Complaint.**

Recommendation 19 (Originally Rated Partially Complaint)

34. Sierra Leone was rated PC on R.19 in its 2nd MER. The report noted that there were no measures in place to ensure that FIs are advised of concerns about weaknesses in the AML/CFT systems of other countries. There was no explicit requirement to apply countermeasures proportionate to the risks when called upon to do so by the FATF. The AML/CFT/PF Act 2024 did not address the observed shortcomings in the MER in relation to R.19.

35. **Criterion 19.1 [Met]** – FIs have obligation to apply EDD proportionate to the risks of customers, business relationships, or transactions from high-risk countries and regions [Par 7.04 (d) of the Directives and Guidelines for FIs on the Prevention of ML/TF]. They are also required to pay particular attention to business relations and transactions with persons (including legal persons and arrangements) from or in countries that do not have or have insufficiently apply AML/CFT international standards [[§68(2)(b) of AML/CFT/PF Act, 2024]. Similar provision also exists in Par 7.08 of the Directives and Guidelines for FIs on the Prevention of ML/TF. High risk countries are defined as countries or jurisdictions which do not apply or insufficiently apply the FATF Recommendations, designated as high risk and non-cooperative jurisdictions and those known to have inadequate AML/CFT laws and regulations, while high risk regions refer to regions within a country notorious for certain types of crimes connected to ML, terrorism activities, and other criminal

behaviours ([Par 1.00 of the Directives and Guidelines for FIs on the Prevention of ML/TF]. Although there is no express provision that the application of EDD should be in relation to natural and legal persons from "countries" for which this is called for by the FATF, the experts believe "high-risk countries" is broader and goes beyond the Standard which calls for measures to be applied to customers (natural and legal persons) "from countries" for which there is a call by the FATF. Overall, higher risk countries is broad and can includes countries for which there is a call by FATF.

36. **Criterion 19.2 (Partly Met) –** As noted in the MER, beyond the application of the EDD measures, there are no explicit requirements or provisions that enable application of countermeasures proportionate to the risks when called upon to do so by the FATF, and independently of any call by the FATF. Par 7.04 (d) and 7.08 of the Directives and Guidelines for FIs on the Prevention of ML/TF requires FIs to apply EDD to higher risk categories of customers, business relationships, or transactions from high-risk countries and regions, and also pay particular attention to transactions involving the transmission of funds to high risk countries or regions. Also, Sierra Leone stated that in practice, regulators do not allow the opening of offices/branches/subsidiaries of FIs hailing from higher-risk countries. Overall, the range of countermeasures do not fully capture the full gamut of the examples of countermeasures stated in Interpretative Note to R19.

37. **Criterion 19.3 [Not Met] –** Section 61(2) of the AML/CFT/PF Act 2024 requires the FIU or Supervisory Authority, for the purposes of customer or beneficial owner identity verification, determine which jurisdictions do not adhere to and apply AML/CFT/CPF requirements. This does not address the specific requirements of c19.3 which requires the country to have measures in place to advise financial institutions of concerns about the weaknesses in the AML/CFT systems of other countries. Furthermore, Sierra Leone did not provide any evidence of how it has informed financial institutions of the FATF's periodic public statements on High-Risk Jurisdictions subject to a Call for Action and on Jurisdictions under Increased Monitoring. Overall, as noted in the MER, there are no measures in Sierra Leone to inform financial institutions of concerns about weaknesses in the AML/CFT systems of other countries.

Weighting and conclusion

38. Sierra Leone met the requirement of c19.1. There is no requirement for competent authorities to apply countermeasures proportionate to the risks: (a) when called upon to do so by the FATF; and (b) independently of any call by the FATF to do so. Furthermore, there are no measures in place to advise Financial Institutions of concerns about the weaknesses in the AML/CFT systems of other countries.

39. **On this basis, Recommendation 19 is maintained at Partially Complaint.**

Recommendation 23 (Originally Rated Partially Complaint)

40. The 2nd MER rated Sierra Leone PC on Recommendation 23. The MER found that the requirement under c23.3 relating to higher risk countries was not met. The deficiencies under Recommendation 18 also apply under R.23. Sierra Leone enacted the AML/CFT/PF Act 2024, which addresses most of the deficiencies identified in the MER on R.23.

41. **Criteria 23.1 [Met] –** The reporting obligations set out under the AML/CFT/PF law apply to all reporting entities, including DNFBPs.

(a) [**Met] -** Section 76(2) of the AML/CFT/PF Act, 2024 requires lawyers, notaries, other independent legal professionals and accountants to submit reports to the FIU when they engage on behalf of, or for a client, in a financial transaction associated with the activities specified in criterion 22.1(d).

"Reports" is broad and is understood to include the requirements to report suspicious transactions to the FIU. Moreso, the requirement in s76(2) is linked to s76(1) which requires reporting entities, including DNFBPs to file supsicious transactions to the FIU. In addition, the requirement to submit "reports" is a stricter standard which is allowed.

(b) **(b) and (c) [Met]** - DPMS and Trust and company service providers – are covered under the STR reporting obligation specified in s76(1) of AML/CFT/PF Act, 2024.

42. **Criteria 23.2 [Mostly Met] –** DNFBPs are subject to the same requirements for internal controls as FIs [s51 (a) of the AML/CFT/PF Act, 2024; Paras 4.02, 8.01, 21.01 of the Directives and Guidelines for DNFBPs on the Prevention of ML/TF/PF (2024)]. Sierra Leone was re-rated from PC to LC on Rec 18 in November 2024. The outstanding deficiency was that the law did not address the requirement that branches and subsidiaries should receive such information from the group-level functions when relevant and appropriate to risk management as required under c18.2(b).

43. **Criteria 23.3 [Mostly Met] -** DNFBPs are required to pay particular attention to business relations and transactions with persons (including legal persons and arrangements) from or in countries that do not, or insufficiently apply AML/CFT international standards [s68(2)(b) of AML/CFT/PF Act 2024]. Para 8.04 of the Directives and Guidelines for DNFBPs on the Prevention of ML/TF/PF (2024) provides that every DNFBPs should implement EDD for higher risk categories of customers/clients, business/professional relationships or transaction including customers/clients from high-risk countries and regions. High risk countries in the Guidelines refers to countries or jurisdictions designated as non-cooperative jurisdictions and territories (by FATF). These provisions do not make specific reference to the obligation to apply countermeasures proportional to the risk from those countries. The shortcomings noted in R19 also apply to c23.3.

44. **Criteria 23.4 [Met] –** As noted in the MER, DNFBPs are subject to the same requirements as FIs regarding tipping-off and confidentiality..

Weighting and conclusion

45. DNFBPs are subject to the same requirements in the AML/CFT/PF Act as FIs. The deficiencies identified in R.18 and 19 also apply to c23.3.

46. **On this basis, Recommendation 23 is re-rated Largely Compliant**

Recommendation 28 (Originally Rated Partially Complaint)

47. Sierra Leone was rated PC on R.23 in its 2nd MER. The report found that the available regulatory measures, did not include 'fit and proper' tests and were not broad enough to sufficiently prevent criminals or their associates from holding a significant or controlling interest, or holding a management function, or being an operator of a casino. The National Tourist Board (NTB) was not designated as a supervisor under the AML/CFT Act 2012, and therefore, did not have powers to supervise casinos for AML/CFT compliance. In addition, the supervisor did not have powers to supervise for PF TFS obligations. The FIU, in practice, did not exercise any supervisory powers over casinos or undertake supervision of the sector. Since the MER, Sierra Leone enacted the AML/CFT/PF Act 2024, which addresses most of the deficiencies identified in the MER on R.28.

48. **Criterion 28.1 (Mostly Met):**

(a) **(Met)** – As noted in the MER, Casinos are required to be licensed by the National Tourist Board (s21(1)(b), Development of Tourism Act (DTA), 1990).

(b) (Partly Met) – Section 21 (7)(8) of DTA provide that licence cannot be granted to any person who is not fit and proper. The licence can be suspended or withdrawn where the person issued the licence is found to be no longer fit and proper (s25 of the DTA). Under s21(10) of DTA, the casino license is subject to renewal every one year (s21(2) of the DTA). In addition, section 73(1)(a) of the AML/CFT/PF Act, 2024 requires any person whose usual business is to undertake over-the-counter exchange transactions, including casinos, to submit a declaration of activity to the FIU for the purpose of obtaining the requisite operating license. Such declarations should include proof of the lawful origin of the capital required to set up the business. Section 74 deals with origin of the initial capital of the casino or gambling establishment and identification of gamblers. However, there are no measures to prevent the associates of criminals from holding a significant or controlling interest, or holding a management function, or being an operator of a casino.

(c) (Met) – Casinos are subject to supervision or monitoring for compliance with AML/CFT requirements. The National Tourist Board (NTB) has the power and primary responsibility for AML/CFT supervision, and monitoring of Casinos, including internet casinos/ gaming (s85(1)(f) of the AML/CFT/PF Act 2024). This responsibility also includes supervision for PF TFS obligations.

49. **Criteria 28.2 [Met] –** Under s85(1)(2) of the AML/CFT/PF Act, 2024, designated competent authorities and self-regulatory bodies (SRBs), including General Legal Counsel (supervising legal practitioners), Institute of Chartered Accountants (supervising chartered accountants), National Mineral Agency (supervising the mining sector), and the FIU have the responsibility for supervising and monitoring compliance by DNFBPs under the Act. This is broad and includes powers to carry out the supervision of the implementation of the TFS obligations in relation to PF.

50. **Criteria 28.3 [Met] –** All categories of DNFBPs are subject to monitoring and supervision systems by relevant authorities or SRBs (s85(1)(2) of the AML/CFT/PF Act 2024).

51. **Criteria 28.4 [Mostly Met]** –

a) **(Met)** - The General Legal Counsel, Institute of Chartered Accountants of Sierra Leone, National Mineral Agency, and the FIU are empowered by s85(1)(2) of the AML/CT/PF Act, 2024 to supervise, monitor compliance, penalize non-compliance and enforce compliance in relation to the AML/CFT obligations under the law. Similarly, s87 of the AML/CT/PF Act, 2024 empowers these supervisors and the FIU to examine the records of entities under their supervision as well visit their premises, and request or compel production of information and documents, etc that may be reasonably required for the performance of their functions.

b) **(Partly Met)** – As noted in the MER, the licensing procedure of the National Minerals Agency is not comprehensive to adequately prevent criminals or their associates from being professionally accredited, or holding (or being the beneficial owner of) a significant or controlling interest, or holding a management function in a DPMS.. The Institute of Chartered Accountants Act of Sierra Leone (ICAASL)) and the Legal Practitioners Act (LPA), 2020 have registration procedures which are akin to fit and proper requirements for membership. Admission to practice as an attorney-at-law in Sierra Leone is regulated by the LPA. Section 12 of the LPA provides a requirement for good character and evidence of qualifications for enrolment. The Act also provides for suspension or striking off in case of misconduct. Under s21 of ICAASL a person must be of good character, hold the required qualifications and must have not been convicted of any criminal offence to be admitted as a member of the Institute. These bodies carry out on-going monitoring of their members including oversight of conduct, with a specific emphasis on meeting high ethical and integrity standards, which provides

some controls that help to prevent criminals or their associates from operating within the sector. On notaries, only legal professionals who are considered fit and proper shall be appointed by the Chief Justice (s2 of Notaries Public Act, 1937). However, these requirements did not extend to associates of persons with criminal record, nor do they cover persons holding (or being BO of) a significant or controlling interest, or their associates. .

c) **(Mostly Met)** – Designated authorities and SRBs have sanctions available in line with R.35 to deal with failure to comply with AML/CFT requirements (s88 of the AML/CFT/PF Act, 2024). There are both administrative and criminal penalties. Sanctions include suspension and revocation of license, imposition of fines on the owner, manager, or employee of a reporting entity; replacement of a manager; and barring a person from employment. Sanctions are applicable to both entities and individuals. The minor deficiency of R.35 relating to non-proportionality and dissuasiveness of fines is applicable.

52. **Criterion 28.5 [Not Met] -** Under s52(2) of the AML/CFT/PF Act, 2024, a supervisory authority is required to carry out risk assessment on the operations of the sector under its supervision, as well as design and adopt policies and mechanisms to manage and mitigate the risks identified. However, there is no specific requirement for supervision of DNFBPs to be performed on a risk-sensitive basis, including: (a) determining the frequency and intensity of AML/CFT supervision of DNFBPs on the basis of their understanding of the ML/TF risks, taking into consideration the characteristics of the DNFBPs, in particular their diversity and number; and (b) taking into account the ML/TF risk profile of those DNFBPs, and the degree of discretion allowed to them under the risk-based approach, when assessing the adequacy of the AML/CFT internal controls, policies and procedures of DNFBPs. In addition, there is no evidence that risk based supervisory frameworks have been developed by the relevant authorities or SRBs and that AML/CFT supervision of DNFBPs has taken place, and on a risk sensitive basis.

Weighting and conclusion

53. Sierra Leone has addressed most of the deficiencies identified in the MER in relation to Recommendation 28. Designated supervisory authorities and SRBs for DNFBPs, including Casinos have statutory powers to supervise and monitor DNFBPs for AML/CFT/CPF compliance. In addition, supervisors and SRBs have sanctions available to deal with failure to comply with AML/CFT requirements. However, there are no: (a) measures to prevent the associates of criminals from involvement in the ownership or activities of DNFBPs; (b) AML/CFT supervisory framework for the DNFBPs and AML/CFT supervision is not being undertaken; and (c) requirements for supervisory authorities to review the ML/TF risk profiles and internal risk assessments prepared by DNFBPs. In view of the risks associated with DNFBPs in Sierra Leone, these shortcomings are considered moderate.

54. **On this basis, Recommendation 28 is maintained at Partially Complaint.**

Recommendation 33 (Originally Rated Partially Complaint)

55. In the 2020 MER, Sierra Leone was rated PC on Recommendation 33. The main deficiency relates to the lack of standardized approach or mechanism for maintaining the relevant statistics across various relevant authorities. The AML/CFT/PF Act 2024 empowers the FIU to compile statistics and records in relation to matters relevant to the effectiveness and efficiency of Sierra Leone AML/CFT system. Notwithstanding, Sierra Leone could not show that it maintains comprehensive statistics on matters relevant to the effectiveness and efficiency of their AML/CFT systems during the review period.

56. **Criterion 33.1 (Mostly Met)**

a) **(Met): STRs** – The FIU has statutory responsibility to compile statistics and records in relation to matters relevant to the effectiveness and efficiency of Sierra Leone AML/CFT system (s19(1)(d)) of the AML/CFT/PF Act 2024. The FIU maintains comprehensive statistics of STRs received, analyzed, and disseminated. The statistics provided also contain further detailed breakdowns, including per reporting sector.

b) **(Met)** – Statistics on ML/TF investigations, prosecutions and convictions are maintained independently by the relevant competent authorities. For instance, the ACC maintains statistics based on s19(1)(3)(a-d) of the AC Act, and TOCU based on the TOCU MoU on Enforcement and Investigations serial No.6.15 on database management. Sierra Leone provided statistics on ML/TF investigations, prosecution, and convictions. The statistics provided were broken down into years. Sierra Leone recorded nil TF investigations, prosecutions or convictions. In addition, statistics of investigation, prosecution and conviction related to predicate offences were also provided.

c) **(Mostly Met)** – The relevant competent authorities have powers to maintain statistics in relation to property frozen, seized and confiscated, although the FIU has the power to request, receive and maintain same as indicated in (a) above. Sierra Leone provided statistics on number of property/funds frozen, financial assets recovered and property confiscated but nothing on property seized. In addition, there is no breakdown regarding the frozen properties (ie, how many bank accounts or mobile Money wallets were each frozen) and the type of property confiscated.

d) (**Mostly Met**) – Sierra Leone maintains statistics on MLA and other international cooperation received. However, there was no breakdown of the statistics on MLA to indicate MLA request made and received by the country. Furthermore, the statistics on the other forms of international cooperation was only limited to what was received.

Weighting and conclusion

57. Sierra Leone maintains statistics across the four relevant areas. However, there are shortcomings related to the breakdown of some of the statistics and a lack of statistics on property seized and other forms of international cooperation made. Since there are no gaps related to sub-criteria (a) and (b) and the gaps related to sub-criteria (b) and (c) are partial and not a complete absence of statistics, the deficiencies overall are considered minor for the purposes of TC.

58. **On this basis, Recommendation 33 is re-rated Largely Compliant.**

Recommendation 34 (Originally Rated Partially Complaint)

59. Sierra Leone was rated PC on R.34 in its 2nd MER. The main identified shortcomings relate to the lack of AML/CFT guidelines or regulations for the DNFBP sector; and the lack of feedback to the DNFBPs. Sierra Leone enacted a new AML/CFT/PF Act in 2024. However, there is no requirement in the new Act for competent authorities, supervisors, and SRBs to provide feedback to reporting entities.

60. **Criterion 34.1 (Partly Met) -** Sections 99 and 167(1) of the AML/CFT/PF Act, 2024 empower supervisors and the FIU to issue directives or guidelines to reporting entities. Section 20(1)(a) empowers the FIA to issue guidelines to reporting entities in consultation with supervisory authorities. Section 167 (2)

provides that Guidelines and Directives issued by the FIU shall have the force of law. Section 19 (1)(f) empowers the FIU to provide training to reporting entities on AML/CFT/CPF. Section 48 of the Banking Act also empowers the Bank of Sierra Leone to make regulations, issue directions or guidelines. However, there is no provision in the AML/CFT/PF Act, 2024 requiring the competent authorities, supervisors and SRBs to provide feedback to reporting entities.

61. During the review period, the FIA issued the Directives and Guidelines for DNFBPs on the Prevention of ML/TF/PF, 2024. The Directives and Guidelines provide DNFBPs with guidance on risk based approach, CDD, record keeping, PEPs, internal control measures and reporting requirements. Similarly, the FIA, in collaboration with the Bank of Sierra Leone and National Telecommunications Agency issued the Directives and Guidelines for the Mobile Money Service Providers (December 2023) on the application of AML/CFT preventive measures.

62. In terms of feedback, the FIA disseminated two strategic analysis products (i.e. typology study on ML/TF links to the Precious Metals and Stones Sector, 2023, and Entry-Exit Point Financial Crimes Threat Assessment, 2024) to stakeholders, including the Dealers in Precious Metals and Stones (DPMS), Casinos, Accountants. The FIA also held meetings with Lawyers, Dealers in Precious Metals and Stones, Casinos, Accountants, Car Dealers and Real Estate Agents to update them about the outcomes of the country's 1st NRA and 2nd MER as it relates to the various sectors. Although the FIU provided feedback to financial institutions on the outcomes of STRs filed, this did not include feedback on the typologies revealed by STRS while no feedback was provided to DNFBPs in relation to STRs and outcomes of supervision largely because of the lack of supervision, non-filing of STRs and the limited engagement with the sector. Although the identified deficiencies in the MER were largely addressed, there is no requirements in the new AML/CFT/PF Act for competent authorities, supervisors, and SRBs to provide feedback to reporting entities. In addition, the type of feedback to high-risk sectors such as DPMS and real estate agents provided by the FIU is limited and not regular, while other competent authorities and SRBs could not demonstrate that they provide feedback to FIs and DNFBPs.

Weighting and conclusion

63. Sierra Leone has legal obligation for the supervisory authorities, SRBs and the FIU to provide guidelines. The Country issued the Directives and Guidelines for DNFBPs on the Prevention of ML/TF/PF and provided some feedback to FI's on the outcomes of STR filed. However, there is no requirements for competent authorities, supervisors, and SRBs to provide feedback to reporting entities. Although, it is possible for feedback to be provided in the absence of a legislative framework, without a clear obligation, this may not be systematic and institutionalized. In addition, the type of feedback to high-risk sectors such as DPMS and real estate agents is limited and not regular. Furthermore, beyond the FIU, there is no evidence that other competent authorities and SRBs provide feedback to FIs and DNFBPs. . These deficiencies are considered moderate in the context of Sierra Leone.

64. **On this basis, Recommendation 34 is maintained at Partially Complaint.**

Recommendation 37 (Originally Rated Partially Complaint)

65. The 2nd MER rated Sierra Leone PC on Recommendation 37. The MER found that the there was no case management system or process in place to determine the timely prioritisation and execution of Mutual Legal Assistance (MLA) requests. In additional, the range of investigative techniques available domestically for conducting ML/TF cases was limited, while the AML/CFT law did not address c37.7. Since the MER,

Sierra Leone has enacted the AML/CFT/PF Act 2024 which addresses most of the deficiencies identified in the MER on R.37.

66. **Criteria 37.1 [Met]** – Sierra Leone has the legal basis that allows the country to provide a wide range of MLA in the investigation, prosecution of ML, predicate offences, TF and PF (s139 AML/CFT/PF Act, 2024). Assistance can be rendered for criminal matters which require obtaining evidence, locating or identifying persons or things, tracing of property and freezing seizure and forfeiture / obtaining restraining orders (ss140, 142, and 141 of AML/CFT/PF Act, 2024). The Anti Corruption Act 2008 (ACA) also covers mutual assistance with foreign states in corruption cases. Furthermore, ss70-84 of the NDCA allows for mutual assistance in investigation and proceedings relating to drugs offences. Requests for assistance by foreign countries are to be responded to expeditiously (s141(3) of the AML/CFT/PF Act 2024). MLA can be provided on the basis of bilateral or multilateral agreements, where available (eg Sierra Leone has signed agreement with Morocco[5]). Where there is no agreement, MLA can be provided on the basis of reciprocity.

67. **Criteria 37.2 [Partly Met] –**The Ministry of Foreign Affairs and International Cooperation is designated as the Central Authority for managing international judicial cooperation requests, including extradition and MLA. The Ministry has a division that is responsible for all MLA requests and follows up with relevant Ministries, Departments and Agencies to ensure that the country responds to requests made on it. Nonetheless, there are no clear processes for the timely prioritisation and execution of MLA requests and there is no case management system to monitor progress in relation to requests.

68. **Criterion 37.3 [Met] -** Sierra Leone has placed some conditions on the provision of MLA, none of which are unduly restrictive or unreasonable. These conditions are stipulated under s143 of the AML/CFT/PF Act 2024[6]. In practice, the authorities will refuse a request where it is in contravention with provisions as indicated under s143 of the AML/CFT/PF Act, 2024.

69. **Criteria 37.4 [Met] –**Section 143 of the AML/CFT/PF Act 2024 sets out particular considerations for refusing a request. A request for mutual legal assistance may only be refused if the action sought is contrary to a provision of the 1991 Constitution of Sierra Leone or the request is likely to prejudice national interest. Also, if under the law of the requesting State, the grounds for refusing to comply with a request from another State is substantially different from the two conditions above.

70. **Criterion 37.5 [Met] -** Regarding international MLA requests, the confidentiality of the material provided by requesting countries is governed by provisions in the AML/CFT/PF Act, 2024. Section 139 (4) of the Act covers confidentiality of MLA requests. A person is prohibited from disclosing the content of a MLA request or the fact that a request has been made (s.147(1)(b) of the AML/CFT/PF Act, 2024). This offence is punishable by imprisonment of not less than five years or a minimum fine of Le 30, 000 (about US$1,285) or both (s.147(2) of the AML/CFT/PF Act, 2024).

71. **Criterion 37.6 [Mostly Met] -** Sierra Leone does not particularly require dual criminality for non-coercive actions. However, based on a reading of s143 of the AML/CFT/PF Act, 2024, it appears that if a requested country's legal framework disallows its authorities to grant assistance to Sierra Leone because the requested country makes dual criminality a condition for granting requests even where the matter does not involve cohesive actions, Sierra Leone will invoke the principle of reciprocal treatment. Overall, the lack of

[5] For example, see copy of Agreement between Morocco & Sierra Leone on Mutual Judicial Assistance in Criminal Matters on https://www.parliament.gov.sl/uploads/loans/Agreement%20Between%20The%20Kingdom%20Of%20Morocco%20And%20The%20Republic%20Of%20Sierra%20Leone%20On%20Mutual%20Judicial%20Assistance%20In%20Criminal%20Matters.pdf

[6] For example, Sierra Leone may refuse to provide MLA if the request is contrary to a provision of the Constitution of Sierra Leone, 1991 (Act No.6 of 1991), and the execution of the request is likely to prejudice the national interest

dual criminality is not a discretionary ground upon which Sierra Leone can refuse MLA requests and there have been no cases in practice where assistance is refused.

72. **Criterion 37.7 [Met] -** Section 139(3) of the AML/CFT/PF Act 2024 provides that where dual criminality is required for the purpose of international cooperation, that requirement is deemed to be satisfied regardless of whether both countries place the offence within the same category of offences, or denominate the offence by the same terminology if both countries criminalise the conduct underlying the offence.

73. **Criterion 37.8 [Mostly Met]**

a) **[Met] -** The authorities have a wide range of investigative powers to execute mutual legal assistance, including search, seizure/freezing and forfeiture, requests for relevant documents (§§140, 141 and 142, AML/CFT/PF Act and §§ 104-106, ACA). Pursuant to the NDC Act, the Attorney-General or an authorized representative has a broad range of powers, including powers to apply for a freezing order, search warrant as well as request for the production of documents to facilitate a MLA request (ss76, 80, 81 and 83 of the NDCA).

b) **[Mostly Met] -** The range of powers and investigative techniques include the search and seizure of information, documents, or evidence from financial institutions (FIs), natural or legal persons; the taking of witness statements; and the seizure, recovery, or confiscation of funds (Sections 138, 140 and 141 of the AML/CFT/PF Act, 2024). However, the minor limitations identified in R. 31 ((investigative techniques, including undercover operations, intercepting communications, and controlled delivery are limited to drug related offences) will apply.

Weighting and conclusion

74. Sierra Leone's AML/CFT/PF Act 2024 establishes a Central Authority for transmission and execution of MLA and provides for a wide range of MLA in relation to ML, TF and relative offences. However, there is no clear process in place to determine the timely prioritization and execution of MLA requests, or a case management system that monitor incoming and outgoing requests. In addition, in respect of powers and investigative techniques available to facilitate MLAT requests, minor deficiencies identified in R.31 will apply. These are considered as minor shortcomings in the context of Sierra Leone.

75. **On this basis, Recommendation 37 is re-rated Largely Complaint.**

Recommendation 39 (Originally Rated Partially Complaint)

76. Sierra Leone was rated PC on R.39 in its 2nd MER. The report found that there was no provision that requires the implementation of a case management system for timely execution and prioritization of extradition requests. There was also no requirement that dual criminality should be deemed to have been satisfied where both countries criminalise the conduct underlying the offence. Since the MER, Sierra Leone enacted the AML/CFT/PF Act 2024 which addresses most of the deficiencies identified in the MER on R.39.

77. **Criteria 39.1 [Mostly Met] –**

a) **[Met] -** ML /TF are extraditable offences in Sierra Leone (s169(1) of the AML/CFT/PF Act, 2024).

b) **[Not Met] –** As noted in the MER, the Office of the Attorney-General is responsible for extradition. However, there is no case management system in place for the timely execution, including prioritization of extradition requests.

c) **[Met] –** As stated in the MER, Section 2 of the Extradition Act, 1974 does not place unreasonable or unduly restrictive conditions on the execution of requests. A request will not be granted where it contrary to public policy (s2 of the Extradition Act), or (i) where the offence is of a political character; (ii) the request is made for the purpose of prosecuting or punishing a person on account of his race, religion, nationality, political opinions, (iii) the accusation against the fugitive was not made in good faith or in the interest of justice; etc (s15(1) of Extradition Act). The grounds reflect common international standards for extradition and are not unreasonable.

78. **Criteria 39.2 [Met]**

As stated in the MER:

a) **[Met] –** Section 20(1) of the Extradition Act, 1974 provides that no extradition shall be granted without the consent of the Attorney General if the fugitive criminal whose return is requested is a citizen or permanent resident of Sierra Leone, unless the fugitive criminal is also a national of that part of the Commonwealth to which his return is requested. Therefore, Sierra Leone extradites its national accused of a relevant offence in the requesting State.

79. **Criteria 39.3 [Met] -** Section 169(4) of the AML/CFT/PF Act, 2024 provides that where dual criminality shall be required for extradition, that requirement shall be deemed to be satisfied regardless of whether both countries place the offence within the same category of offence, or denominate the offence by the same terminology, provided that both countries criminalize the conduct underlying the offence.

80. **Criteria 39.4 [Met] -** Sierra Leone is able to provide simplified extradition on the basis of the Agreement on Cooperation in Criminal Matters between the Police of member States of the Economic Community of West African States (ECOWAS) which permits the handing over of suspects or fugitives to another member State based on warrants of arrest or court judgments. In addition, simplified extradition can also be made using the INTERPOL Arrangement which is a global police formation.

Weighting and conclusion

81. Sierra Leone has a legal framework for extradition. However, there is no case management system in place for the timely execution, including prioritization of extradition requests. This deficiency is considered minor in the Sierra Leone context due to the low number of extradition requests.

82. **On this basis, Recommendation 39 is re-rated Largely Complaint.**

IV CONCLUSION

83. Overall, Sierra Leone has made significant progress in addressing the technical compliance deficiencies identified in its MER and has been re-rated Largely Compliant in four (4) Recommendations. Insufficient progress has been made to support a re-rating for Recommendations 19, 28, 33 and 34.

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

Table 2. Technical Compliance Ratings[7] (May 2025)

R.	Rating
1	LC (MER 2020)
2	LC (MER 2020)
3	LC (MER 2020)
4.	LC (MER 2020)
5.	LC (MER 2020)
6.	PC (MER 2020)
7.	NC (MER 2020) ↑ PC **(FUR 2024)**
8.	NC (MER 2020)
9.	C (MER 2020)
10.	PC (MER 2020) ↑ LC **(FUR 2024)**
11.	C (MER 2020)
12.	LC (MER 2020)
13.	LC (MER 2020)
14.	PC (MER 2020) ↑ LC **(FUR 2024)**
15.	PC (MER 2020) ↑ LC **(FUR 2024)**
16.	PC (MER 2020) ↑ LC **(FUR 2025)**
17.	PC (MER 2020) ↑ LC **(FUR 2024)**
18.	PC (MER 2020) ↑ LC **(FUR 2024)**
19.	PC (MER 2020) ↔**PC (FUR 2025)**
20.	C (MER 2020)

R.	Rating
21.	C (MER 2020)
22.	PC (MER 2020) ↑ LC **(FUR 2024)**
23.	PC (MER 2020) ↑ LC **(FUR 2025)**
24.	PC (MER 2020)
25.	PC (MER 2020)
26.	LC (MER 2020)
27.	LC (MER 2020)
28.	PC (MER 2020) ↔**PC (FUR 2025)**
29.	LC (MER 2020)
30.	LC (MER 2020)
31.	LC (MER 2020)
32.	PC (MER 2020) ↑ LC **(FUR 2024)**
33.	PC (MER 2020) ↑**LC (FUR 2025)**
34.	PC (MER 2020) ↔**PC (FUR 2025)**
35.	LC (MER 2020)
36.	LC (MER 2020)
37.	PC (MER 2020) ↑ LC **(FUR 2025)**
38.	PC (MER 2020) ↑ LC **(FUR 2024)**
39.	PC (MER 2020) ↑ LC **(FUR 2025)**
40	LC (MER 2020)

85. Sierra Leone has 32 Recommendations rated C/LC. Sierra Leone will remain in Enhanced Follow-up based on technical compliance ratings. Sierra Leone's next Enhanced FUR is due in November 2026.

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

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	**LC**	• The NRA did not sufficiently assess some DNFBPs considered high risk in the NRA report. Legal persons and arrangements were not assessed in the NRA. • There is no requirement for reporting entities to incorporate information on the higher risks identified in the NRA into their risk assessments
2. National cooperation and coordination	**LC**	• There is no coordination mechanism in place to combat PF
3. Money laundering offences	**LC**	• Sierra Leone has not criminalised terrorism, insider trading and market manipulation • The sanctions imposed on natural persons do not include fines
4. Confiscation and provisional measures	**LC**	• Forfeiture of real assets of corresponding value are not covered under the AML/CFT Act
5. Terrorist financing offence	**LC**	• There is no express text that stipulates that it is immaterial for terrorist financing to takes place in a location different from where terrorist/terrorist organisation is located or the terrorist act occurred or will occur
6. Targeted financial sanctions related to terrorism & TF	**PC**	• Sierra Leone has not established arrangements for identifying and proposing targets to the relevant UN Committee pursuant to UNSCR 1267 and under UNSCR 1373 • There are no mechanisms to collect or solicit information to identify persons and entities which, competent authorities believe, meet the criteria for designation • Reporting institutions are not required to report attempted transaction relating to assets frozen or actions to competent authorities in relation to TFS • There is no detailed guidance for reporting entities on TFS
7. Targeted financial sanctions related to proliferation	**NC** **↔NC (2024 FUR)**	• There is no adequate mechanisms to implement TFS without delay on PF • The immediate communication of information on designations to the financial sector and DNFBPs, as well as de-listing and unfreezing of assets, is not fully ensured • There is no clear requirements for these entities to freeze the funds and assets and transactions without prior notice • There are no publicly known procedures to unfreeze funds or other assets of persons or entities where a false positive name match arises • Sierra Leone has not provided guidance to FIs and other persons and entities, including DNFBPs, that may be holding funds or other assets on their obligations to respect a de-listing or unfreezing action
8. Non-profit organisations	**NC**	• Sierra Leone has not yet identified the characteristics and types of NPOs which are likely to be abused for TF purposes • Sierra Leone has not reviewed the adequacy of measures, including laws and regulations that relate to the subset of the NPO sector that may be abused for terrorism financing. • There is no risk-based supervision/oversight measures for NPOs • Relevant authorities are rarely working with NPOs to develop best practices to deal with TF risk • There are no established mechanisms to promptly share information.
9. Financial institution secrecy laws	**C**	•
10. Customer due diligence	**PC ↑ LC (2024 FUR)**	• The requirement to verify identity under c10.14 did not cover beneficial owner • The requirement in the law in c10.18 does not cover identification
11. Record keeping	**C**	•
12. Politically exposed persons	**LC**	• There is limitation in the definition of PEPs (none coverage of PEPs link to international organizations), • There is lack of explicit provisions addressing the specific requirements in relation to life insurance policies under c12.4, including the application of the required due diligence.
13. Correspondent banking	**LC**	• There is no requirement to establish whether a respondent bank has been subject to a ML/TF investigation or regulatory action.
14. Money or value transfer services	**PC**	• There is no enforcement actions or sanction against the MVTS operating without license

Recommendations	Rating	Factor(s) underlying the rating
	↑ LC (2024 FUR)	
15. New technologies	**PC ↑ LC (2024 FUR)**	• Sierra Leone has not implemented any specific enforcement actions or sanction against natural or legal persons that carry out VASP activities without the requisite license • Sierra Leone has not issued guidelines or provided feedback to assist the sector in the application of ML/TF measures • There is no clear communication mechanisms and no robust measures in place yet for monitoring and ensuring compliance VASPs. • The minor deficiencies that exist in R.10, 14, 16, 17, 18 etc are applicable to c15.9
16. Wire transfers	**PC ↑ LC (2025 FUR)**	• The law is not explicit that the beneficiary information should be sufficient to enable traceable within the beneficiary country. • It is not clear how FIs should deal with a list from a non-ECOWAS member State under UNSCR 1373 given the restriction in the list under Par 26 of the TPR.
17. Reliance on third parties	**PC ↑ LC (2024 FUR)**	• There is lack of explicit obligation on FIs to have regard for a country's level of risk, where the third party or intermediary is located in another country
18. Internal controls and foreign branches and subsidiaries	**PC ↑ LC (2024 FUR)**	• • The law did address the requirement that branches and subsidiaries should receive such information from the group-level functions when relevant and appropriate to risk management as required under c18.2(b).
19. Higher-risk countries	**PC ↔PC (FUR 2025)**	• There are no measures in place to ensure that financial institutions are advised of concerns about weaknesses in the AML/CFT systems of other countries. • There is no explicit requirement to apply countermeasures proportionate to the risks when called upon to do so by the FATF • The range of available counter measures is not comprehensive (limited to EDD).
20. Reporting of suspicious transaction	**C**	•
21. Tipping-off and confidentiality	**C**	•
22. DNFBPs: Customer due diligence	**PC ↑ LC (2024 FUR)**	• The minor shortcomings relating to R. 10, 15, and 17 apply to this Recommendation
23. DNFBPs: Other measures	**PC ↑ LC (2025 FUR)**	• The deficiencies under Recommendation 18 and 19 apply under R.23
24. Transparency and beneficial ownership of legal persons	**PC**	• Sierra Leone has not carried out a comprehensive risk assessment of the ML/TF risk associated with all the different types of legal persons • Disclosure of information on nominee shareholder is limited to public companies • There are no measures in place to ensure that companies update the beneficial ownership information. • There are no sanctions to deal with failure to provide beneficial ownership information
25. Transparency and beneficial ownership of legal arrangements	**PC**	• There are no obligations on the part of express trustees to hold adequate, accurate and current information on the trustee, settler, the protector and beneficial owner
26. Regulation and supervision of financial institutions	**LC**	• There is no requirement for supervisors to review the assessment of the ML/TF risk profiles of FIs on a regular basis and in case of material events or changes in the activities of the supervised entities
27. Powers of supervisors	**LC**	• Supervisors do not have powers to carry out the supervision of the implementation of TFS obligations in relation to PF. • Supervisors require a conviction to impose the administrative sanctions under the AML/CFT Act.

Recommendations	Rating	Factor(s) underlying the rating
28. Regulation and supervision of DNFBPs	**PC** **↔PC (FUR 2025)**	• There is no AML/CFT supervisory framework for the DNFBPs • There is no requirement for supervisory authorities to review the ML/TF risk profiles and internal risk assessments prepared by DNFBPs
29. Financial intelligence units	**LC**	• There is no requirement for the FIU to disseminate information upon request.
30. Responsibilities of law enforcement and investigative authorities	**LC**	• The law requires an order of the court before the identification of property and documents in the case of the ACC
31. Powers of law enforcement and investigative authorities	**LC**	• Investigative techniques, including undercover operations; intercepting communications; and controlled delivery are limited to drug related offences.
32. Cash couriers	**PC** **↑ LC (2024 FUR)**	• There is no evidence of operational cooperation between FIU and other authorities coordinate on matters related to R32 and • There is no express provision for authorities to restrain currency or BNIs for a reasonable period in the case of false declaration
33. Statistics	**PC** **↑ LC (FUR 2025)**	• There are shortcomings related to the breakdown of some of the statistics and a lack of statistics on property seized and other forms of international cooperation made. •
34. Guidance and feedback	**PC** **↔PC (FUR 2025)**	• There is limited feedback to the DNFBPs • There is no requirements for competent authorities, supervisors, and SRBs to provide feedback to reporting entities
35. Sanctions	**LC**	• The fines are not proportionate and dissuasive • Provisions for enforcing administrative, pecuniary or civil penalties for breach of AML/CFT obligations by reporting entities under the AML/CFT Act require convictions of the court and this could pose practical difficulties.
36. International instruments	**LC**	• Sierra Leone has not fully domesticated the confiscation of property of equivalent value in accordance with Art.(12)(a) of the Palermo Convention
37. Mutual legal assistance	**PC** **↑ LC (2025 FUR)**	• There is no case management system or process in place to determine the timely prioritisation and execution of MLA request • The range of investigative techniques available domestically for conducting ML/TF cases is limited
38. Mutual legal assistance: freezing and confiscation	**PC** **↑ LC (2024 FUR)**	• There is no case management system in place for the timely execution, including prioritization of extradition requests
39. Extradition	**PC** **↑ LC (2025 FUR)**	• Sierra Leone has not implemented a case management system for timely execution and prioritization of extradition requests.
40. Other forms of international cooperation	**LC**	• SLICOM does not have the powers to provide a wide range of international assistance • There is no express obligation that information shared by competent authorities is exclusively used for the purposes for which it was requested and by the authorities for which it was requested or provided • With exception of the FIU, there are no express provisions that allow other competent authorities to exchange information indirectly with non-counterparts • The absence of a provision requiring financial supervisors to conduct inquiries on behalf of foreign counterparts • The absence of a provision requiring prior authorisation of the requested financial supervisor for any dissemination of information



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November 2025

Anti-money laundering and counter-terrorist financing measures in Sierra Leone

Follow-up Report & Technical Compliance Re-Rating

The report also looks at whether Sierra Leone measures meet the requirements of FATF Recommendations that have changed since their Mutual Evaluation in 2019.

Follow-up Report