GIABA

INTER-GOVERNMENTAL ACTION GROUP
AGAINST MONEY LAUNDERING IN WEST-AFRICA

ANNUAL REPORT 2015





Inter-Governmental Action Group against
Money Laundering in West-Africa

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PREFACE



Adama COULIBALY
Director General

i. GIABA was 15 years old in December 2015, an event that went uncelebrated due to the financial difficulties facing the ECOWAS institutions, resulting from the shrinking of the Community Levy, imposing greater budget discipline on its various institutions.

ii. The year 2015 was a watershed, in that it marked the end of the implementation of the 2011-2014 Strategic Plan, and the commencement of the new Strategic Plan for 2016-2020, focused on the second round of the Member States' Mutual Evaluations.

iii. The assessment of the 15 years in existence marked by the implementation of three Strategic Plans (2007-2009 ; 2009-2011 and 2011-2014) has been largely positive in light of the following developments:

- Within the Member States:
  - GIABA's technical assistance has helped set up Anti-Money Laundering and Combating the Financing of Terrorism and Proliferation (AML/CFT) regimes with the establishment of Financial Intelligence Units or Financial Information Processing Units that are up and running at various degrees.
  - Most of the Member States have set up National Coordinating Committees including experts from Finance, Justice and Security/Interior Ministries, Reporting Entities, Regulatory and Supervisory bodies as well as other AML/CFT stakeholders, including Civil Society Organizations (CSOs), in order to enhance the effectiveness of countering those crimes.
  - All GIABA Member States have enacted laws and regulations criminalizing money laundering and the financing of terrorism (ML/TF) and related offences;
- At regional level, GIABA is gradually enjoying the trust of high-ranking authorities of ECOWAS and its partners, hence their continued support in implementing the Community's programmes. In this framework, other AML/CFT stakeholder institutions (UEMOA, Central Banks, amongst others) have unveiled their willingness and resolve to support GIABA by adopting regulatory instruments to strengthen its action;

- Internationally, GIABA has become a household name among respectable AML/CFT institutions, including its recognition as a FATF-style Regional Body (FSRB) and admission as an associate Member of FATF, a prestigious global governing body in charge of setting and promoting international AML/CFT standards and best practices. That outstanding reputation was further confirmed by the conclusion of funding agreements with financial partners, including the European Union (EU) and the African Development Bank (AfDB) on one hand, and international financial institutions as GIABA observers, on the other.

iv. In the light of the foregoing, the foundations of AML/CFT have been laid in all Member States, helping to address emerging challenges, including the successful implementation of the second round of Member States Mutual Evaluations scheduled to commence in September 2016 with Ghana, followed by Senegal and Cabo Verde.

v. The process of the new round, which is based on technical compliance and effectiveness criteria, requires sizeable financial wherewithal, proven expertise and robust involvement of and support from authorities, as well as effective coordination amongst national AML/CFT stakeholders.

vi. In this regard, activities need henceforth to be mainly focused on building significant and tangible results in order to achieve the new Management's vision of raising GIABA to a modern and model institution in AML/CFT.

vii. To this end, it is incumbent on us to work for the effective and inclusive implementation of such a vision as underpinned by the 2016-2020 Strategic Plan.

ACKNOWLEDGEMENT

i. Like the previous Annual Reports, the 2015 Report summarizes the outcomes of the implementation of GIABA activities during the year. The year 2015 is a special year as it stands out as a turning point between the end of the 2011-2014 Strategic Plan and the launch of a new 2016-2020 Strategic Plan intended to carry the vision of the new leadership, aimed at raising GIABA to a reference AML/CFT institution, on one hand, and because it precedes the year that saw the effective commencement of the second round of Member States Mutual Evaluations, on the other.

ii. The satisfactory 2015 outcomes will go down as a landmark, and have been made possible by support from all the stakeholders. In this regard, the Secretariat hereby extends its heartfelt appreciation and gratitude to all the stakeholders.

iii. The Secretariat, under the resolute leadership of the Director General, commends the entire staff for their collective contribution to the implementation of the activities contained in this report, and urges them to demonstrate greater commitment and dedication to pooling energies and facing emerging challenges.

iv. Finally, the Secretariat hereby acknowledges the High Authorities of ECOWAS for their relentless support to GIABA, and the President of the Commission, His Excellency Kadré Desiré OUEDRAOGO, whose decisive commitment has been expressive of his thorough understanding of AML/CFT issues.

The GIABA Secretariat
Dakar, Senegal

CHAPTER 1

INTRODUCTION

1. The Authority of the ECOWAS Heads of State and Government established GIABA by Decision A/Dec./12/99 dated December 10, 1999, to ensure that the Member States recognize, adopt and implement international AML/CFT measures, particularly the FATF Standards, for the purpose of ensuring the security, integrity and stability of the region's financial system.

2. The recent outbreak of repeated terrorist attacks in the ECOWAS region by groups with impressive logistics is illustrative of how relevant and visionary the decision is. In a bid to address the terrorist attacks that are threatening the States' security and stability as well as the regional integration process, controlling financial transactions has become both a need and demand for global security.

3. The issue of terrorist funding is henceforth one of the priorities of the International Community in general, and ECOWAS in particular, which has specifically mandated GIABA for such purpose with the following main thrusts:
   - Assisting Member States in implementing specific national regime in compliance with FATF recommendations;
   - Providing Member States with technical assistance in establishing institutional and regulatory frameworks as well as good governance building mechanisms ;
   - Organizing self-evaluation exercises within Member States as well as peer evaluations, with a view to enhancing the effectiveness and compliance of national regimes with international standards;
   - Coordinating and invigorating regional and international cooperation in order to increase stakeholders' intervention and action capacities.

4. Under the activities implemented, 2015 was devoted to: (i) Pursuing technical assistance to Member States with a view to consolidating their AML/CFT regime; (ii) Pursuing and strengthening regional and international cooperation; (iii) Evaluating the implementation of the 2011-2014 Strategic Plan; (iv) Developing the GIABA 2016-2020 Strategic Plan; (v) Pursuing various typologies and other research studies ; (vi) Upgrading Member States capacity for National Risk Assessment (NRA), and organizing pre-evaluation workshops for Member States, ahead of the effective commencement of the Second Round of Mutual Evaluation, (vii) Building the capacities of national assessment experts and the Secretariat's experts by organizing training workshops.

5. This report is structured as follows: In addition to Chapter 1 devoted to preliminary considerations, a general overview of AML/CFT in West Africa is provided in Chapter 2; Chapter 3 focuses on analyzing Member States' follow-up reports, while Chapter 4 presents the typology studies and other research projects. Chapter 5 deals with technical assistance, while Chapter 6 is devoted to advocacy and awareness-raising. Regional integration, international cooperation and partnerships are addressed in Chapter 7. Chapter 8 discusses issues related to administrative and support services. Finally, Chapter 9 draws conclusions and defines the way forward regarding immediate priorities and challenges which the new 2016-2020 Strategic Plan has been designed to meet.

CHAPTER 2

OVERVIEW OF THE AML/CFT SITUATION IN WEST AFRICA

6. The ECOWAS Convergence Report and that of the 48th Regular Meeting of the Committee of Governors of the Central Banks of Member States for 2015 indicate that growth in 2015 estimated to slow down in 2015 compared to 2014 in most of the Region, except in Côte d'Ivoire (9.2% vs. 8.5%), the Gambia, Guinea Bissau and Senegal. The highest growth rate was in Côte d'Ivoire, at 9.2%, while the lowest was recorded in Sierra Leone with -21.1%.

7. These reports show that the economies of the community have been impacted by a number of factors including, among others, the global economic environment, including falling commodity prices, continued effects of Ebola and degradation of balances in public finances in most Member States. As a result, the community's convergence situation has been severely affected and has generally deteriorated compared to 2014.

8. Throughout the year, terrorist acts have intensified throughout the region, particularly in Nigeria and Mali, where Boko Haram and Al Qaeda in the Islamic Maghreb (AQIM) have increased their presence by perpetrating numerous kidnappings and suicide bombings.

9. The following paragraphs describe the political and economic context of each Member State and highlight, for each, the major risks and other factors that affect the implementation of AML/CFT measures.

BENIN

Political Situation

10. Democracy in Benin continued to consolidate throughout 2015, with the hope of greater political stability, illustrated by the satisfactory conduct of the legislative elections.

11. In terms of good governance, the country was stepped back on Transparency International's Corruption Perceptions Index (CPI), with a score of 37% in 2015, compared to 39% in 2014.

Economic and Financial Situation

12. The economy of Benin continued to perform well in 2015. Real GDP grew from projected 5.5% in 2014 to 5.6% in the year.[1] This resulted from the good performance of the agriculture and service sectors, as well as the implementation of a structural investment program. However, the inflation rate has increased from -0.5% in 2014 to 1.7%[2] in 2015.

13. There is a risk that this worsening of inflation that have an impact on business transactions would generate a favorable environment for money laundering predicate offenses.

1. Economic perspectives in Africa 2015.
2. Ibid

AML/CFT Situation

14. As detailed in Chapter Three of this report, Benin continued with efforts to resolve the deficiencies identified in its AML/CFT system, and the country remains in the Expedited Follow-Up process. A major effort undertaken in the year is the submission of the Penal Code Reform Bill to the National Assembly for passage. The country's AML / CFT reforms are related to the revision of the Criminal Code to criminalize certain ML predicate offenses in accordance with FATF Recommendation 1. The FIU now has separate budgetary resources.

15. The country is yet to finalise and sign the draft Decree designating the Minister responsible for Finance as the competent authority in the freezing of funds; the draft Ministerial Order specifying the powers, organisation and functioning of the Advisory Committee on the Freezing of Assets has not been signed; the National AML/CFT Strategy paper updated in April has not been adopted, among other deficiencies.

16. Overall, the change in the AML/CFT regime of the country from the previous year is captured in the International Narcotic Control strategy Reports (INCSR) as presented in Table 2.1 below:

TABLE 2.1: Changes in AML/CFT System (2014–2015) INCSR, Benin[3]

	Crininalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Ability to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	N
2014	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Y	Y	Y	Y	N

Prevalence of predicate crimes

17. According to the Country Report submitted by Benin for 2015, the prevalent predicate crimes in the country are drug trafficking, corruption, tax evasion, fraud, smuggling of goods, and document forgery.

Technical Assistance

18. In order to address the outstanding shortcomings, in the country's AML/CFT regime, Benin has expressed needs for technical assistance in the following areas: training, awareness raising, and mentoring for the FIU; awareness raising for the DNFBPs; mentoring on legislation; and training and mentoring on international cooperation.

3. Y=Yes, N=No. Note that 'Y' does not imply full comliance with the international standards. It only indicates that legislation has been passedon the item. See Chapter Three of this report for assessment of the level of compliance.

19. In 2015, GIABA provided the country with substantial support for capacity-building. Despite this support, the country's technical assistance needs remain high.

BURKINA FASO

Political Situation

20. The country experienced a change of regime with the overthrow of President Blaise Compaoré in 2014. The year 2015 was a period of transition marked by repeated socio-political ups and downs.

21. In terms of good governance, the country maintained its score of 38th out of 100 in Transparency International's CPI. It now occupies the 76th position out of 168 countries, compared to the 2014 rank of 85th out of 175. The IIAG shows that governance improved by 0.03, standing at the 22nd position in Africa. The return to constitutional order embodied in the presidential election in 2015 should encourage improved involvement of the new authorities in the effective implementation of AML/CFT measures to prevent and mitigate the risks of global insecurity.

Economic and Financial Situation

22. Burkina Faso made impressive economic progress in 2015, in spite of the political turmoil and other economic challenges, including the fall in the international prices of gold and cotton. The country's real GDP grew at projected 5.5% in the year from 5.0% in the previous year. This performance is driven largely by infrastructural investment, coupled with good harvest in the previous year[4]. Yet, inflation has been on the rise, moving up from 0.9% in the present year to 1.9%. Although the inflationary rate is well within the 3% limit set by the West African Economic and Monetary Union (WAEMU), the high rate of poverty can make any upward inflationary pressure become a driver of organized crime, and expose alienated segments of the population to radicalization in a region where terrorism has been on the rise.

Prevalence of Predicate Crimes

23. Burkina Faso's long inadequetly policed borders make the country highly vulnerable to a host of organized cross-border crimes. In addition, the country shares border with countries where terrorist activities have been rampant over the years, and it is therefore susceptible to terrorist financing activities.

24. The country report provided to GIABA for 2015 shows that most of the predicate crimes, which are prevalent in the country include drug trafficking, corruption, tax fraud/evasion, smuggling of precious stones and metals, smuggling of goods, bank fraud, forgery of documents and piracy. Burkina Faso remained among countries in the Tier 2 category of the US State Department Human Trafficking Report for 2015, indicating that the country is a source, transit, and destination.

AML/CFT Situation

25. In spite of the year-long political turmoil and the attendant governance challenges, Burkina Faso made commendable progress in addressing the defficiences in its AML/CFT system, Including through legislative, regulatory and institutional measures (Chapter 3).

26. There are however some outstanding deficiences that the country needs to address. These include (i) the internalization of the revised WAEMU AML/CFT Directive which needs to be accelerated; (ii) the low capacity of professional judicial staff to process ML/TF files; (iii) the non-implementation of United Nations Security Council resolutions 1267 and 1373 (UNSC); and (iv) low level of national and international cooperation, particularly in the area of reliable information exchange.[5]

4. See the economic persepective in Africa in 2015, p. 238.
5. For the detailed report, good the following site : http://www.state.gov/documents/organization/243558.pdf

TABLE 2.2 : Changes in the AML/CFT System (2014–2015), Burkina Faso

	INCSR																			
	Crininalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Abillity to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	N	N	Y	Y	N	Y	Y	Y	Y	N
2014	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	N	N	Y	Y	N	Y	Y	Y	Y	N

Technical Assistance

27. The priority areas of technical assistance identified by Burkina Faso include: AML/CFT training; strengthening of the capacities of the actors in the understanding and ownership of AML/CFT international standards, as well as in investigations; and the provision of ICT equipment to the FIU.

28. By 2015, Burkina Faso's performance reflects the ambition of the new authorities to effectively implement AML/CFT measures to improve and strengthen democratic values, as well as good governance standards and practices. Achieving this ambition requires strong political commitment, supported by the implementation of a global strategy to manage AML / CFT risks and threats.

CABO VERDE

Political Situation

29. In 2015, Cabo Verde continued to deploy efforts at consolidating its democratic achievements, which is the foundation of the country's stability and economic growth. With regard to good governance, Cabo Vede ranked 40th out of 168 countries in Transparency International's CPI. The country was considered as the best governed in West Africa in 2015.[6] This impressive performance also demosrates the high level of involvement of the country's authorities and the extent to which they have taken ownership of the AML/CFT challenges in the country's overall development strategy.

Economic and Financial Situation

30. The economy of Cabo Verde continued on the path of subdued recovery from the ebb of GDP growth rate of 1% in 2013. Growth was projected to reach 3% in 2015, However, the country remains vulnerable to inflationary pressure, with a projected rate of 2.2% in 2015.[7]

31. In spite of the difficult economic condition, Cabo Verde recorded the highest ranking in West Africa for the Human Development Index (HDI), according to the UNDP 2015 report, ranking 10th out of 54 African countries and 122nd out of 188 countries worldwide.[8] Despite this ranking, Cabo Verde remains vulnerable to ML/TF risks because of its location as an

6. IIAG 2015, p. 4.
7. Economic perspectives in Africa 2015, p. 240
8. See the human developement Report of UNDP, 2015.

island and its strategic position as a transit country between Africa, Europe and the Americas.

Prevalence of Predicate Crimes

32. In the absence of figures for 2015, previous reports have consistently revealed that the State is an important hub for illicit trafficking either from or into the countries of Europe and South America.

33. The main underlying offenses that prevail here are: drug trafficking, corruption, smuggling of goods and merchandise.[9] It has also been grouped among countries in the Tier 2 category of the US State Department Trafficking in Persons Report.[10]

AML/CFT Situation

34. Because of the progress made in strengthening its AML/CFT system, particularly in the areas of legislation and regulation, the country is currently on the Expedited Follow-Up process of GIABA Mutual Evaluations.

35. However, efforts remain to be made, notably in the areas of regulation, supervision of DNFBPs, criminalization of underlying offenses (trafficking in persons, smuggling and piracy) and Implementation of UNSC resolutions 1267 and 1373. Table 2.3 below shows the changes in the country's AML / CFT systemfrom 2012 to 2014.

Technical Assistance

36. To deal with the deficiencies identified in its AML/CFT system, the country needs the support of GIABA and its development partners. The areas concerned are: awareness raising and training for takeholders, including civil society organizations and the media, and in building the capacities of judicial and investigative authorities.

37. Because of the great involvement of the State Authorities, Cabo Verde presents one of the most favourable environments for the effective implementation of AML/CFT regimes in West Africa. GIABA should explore this potential to modernize and develop new instruments and mechanisms.

TABLE 2.3 : Changes in the AML/CFT System (2012–2014), Cabo Verde

	INCSR																			
	Crininalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Abillity to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	N	Y	Y	N	Y	Y	Y	Y	N
2014	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	N	Y	Y	N	Y	Y	Y	Y	N

9. GIABA country report analysis, 2014.
10. INCSR 2015, p. 109.

CÔTE D'IVOIRE

Political Situation

38. Côte d'Ivoire's post war recovery and transition to stability continued apace and consolidated through 2015. This allowed the peaceful organization of the 2015 presidential election, which ensured the re-election of President Alassane Ouattara.

39. As far as good governance is concrened, the country has maintained its score of 32 out of 100 on Transparency International's CPI since 2014. This consolidates the improvement from 27 out of 100 in 2013.[11] The Ibrahim Index of African Governance (IIAG) also shows that overall governance has been improving in the country. The country posted a score of 48.3% in 2015, and was ranked 35th out of 54 African countries. This represents increase in points by 8.5 since 2011 when the civil war ended.[12]

40. To strengthen this achivement in the long term, it would be crucial to implement effective AML/CFT measures.

Economic and Financial Situation

41. The gradual stabilization of the political system has also been accompanied by rapid improvement in economic performance. The recovery in economic growth continued in 2012, despite a slight deceleration from 2013 to 2015. The GDP growth rate dropped from 8.7% in 2013 to 8.3% in 2014 and to 7.9% in 2015.

42. This performance has repositioned the country as the fastest growing and strongest country in West Africa. To sustain these achievements, the country needs to strengthen the inclusive nature of growth while ensuring the security of the financial system by preserving it from ML/TF risks.

Prevalence of Predicate Crimes

43. Drug trafficking, corruption, fraud, tax evasion, smuggling of goods and merchandise, fraud in banking, piracy, counterfeiting and human trafficking remain the predicate offenses recorded in the country. According to the US State Department Human Trafficking Report Côte d'Ivoire is in the Tier 2 category[13].

AML/CFT Situation

44. Since 2012, Côte d'Ivoire has continued its efforts to gradually improve its AML/CFT system by taking strong measures to address the weaknesses. In this regard, it has enacted laws to combat terrorism and set up bodies and mechanisms to combat organized transnational crime (see chapter 3 of this report). Such efforts must be pursued, in particular, through the transposition of the revised WAEMU AML/CFT Directive into a national legislation. The country will also have to ratify the international instruments to which it is a signatory in order to meet its international commitments, including the adoption of a law against migrant smuggling.

45. ML/TF risks remain mainly inherent to the real estate sectors, the cross-border movement of cash, the financial sector, particularly DNFBPs, microfinance, and the insurance and securities sectors[14]. Table 2.4 below summarizes the changes in the AML/CFT framework for Côte d'Ivoire from 2012 to 2014:

11. Transparency International's yearly Corruption Perception Index, 2013, 2014 & 2015.
12. See IIAG 2015, p. 4
13. http://www.state.gov/documents/organization/243558.pdf
14. GIABA country report analysis, 2015.

TABLE 2.4 : Changes in the AML/CFT System (2014–2015), Côte d'Ivoire

	INCSR																			
	Crininalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Abillity to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y
2014	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y

Technical Assistance

46. The priority technical assistance needs expressed by the country since 2014 are: training and capacity building of key AML/CFT actors, mainly FIU members and judicial authorities to increase the efficiency of results.

47. Côte d'Ivoire's performance in strengthening its AML/CFT framework in 2015 can be explained mainly by the renewed political stability, the strong commitment of the authorities and the dynamism of the reforms undertaken to consolidate good governance. These efforts must be pursued and expanded in the field of criminal justice to make the system more effective.

The GAMBIA

Political Situation

48. The Gambia's political stability improved through 2015, after the foiled coup d'etat of December 2014. However, the performance of the country in the area of governance is still weak. In 2015, the country recorded a score of 28 out of 100 and ranked 126 out of 175 countries on the Transparency International CPI, against the score of 29 out of 100 with a ranking of 123th out of 168 countries in 2014.

49. The 2015 IIAG ranks the Gambia 27th out of 54 African countries, with a score of 50.5%.

Economic and Financial Situation

50. The Gambia economy, which contracted in 2014 due to the impact of the Ebola outbreak on tourism, is on the path of recovery and the GDP is projected to grow by 4.2% in 2015.[15] Inflation was subdued to moderate 5.3% from 6.1% in 2014.

51. Despite signs of economic recovery, the Gambia still faces serious human development challenges. The country ranks among the lowest in the 2015 UNDP Human Development Index.

Prevalence of Predicate Crimes

52. Analysis of the country report reveals that drug trafficking, corruption, tax evasion, fraud, buman trafficking and theft were the major ML predicate offences in The Gambia in 2015.[16] As reported in 2014, there is an imbalance between the high concentration of commercial

15. African Economic Outlook, 2015 Country Note on The Gambia
16. GIABA Country Report 2015.

banks and the normal volume of the country's economy. It is not clear if the country serves as a point of accumulation of the proceeds of crime or their transfer to other destinations.

53. In terms of governance in 2015, the Gambia remained in the Tier 3 category of the US State Department Trafficking in Persons Report as source and destination country for women and children subjected to forced labor and sex trafficking.

AML/CFT Situation

54. The Gambia made significant progress in 2015 in addressing the deficiencies identified in its AML/CFT regime. The major efforts made by the country in the year include the following:
    i. Commenced concrete implementation of its National AML/CFT Strategy and Action Plan, 2014-2019;
    ii. Strengthened its AML/CFT supervisory regime by conducting AML/CFT examination of bank and non-bank financial institutions;
    iii. Developed comprehensive AML/CFT Guidelines for financial institutions and DNFBPs and an AML/CFT examination (onsite and offsite) manual for regulatory and supervisory authorities;
    iv. Commenced the process of ensuring effective application of the regulations for implementing UN Security Council Resolutions (UNSCRs) 1267 and 1373; and
    v. Strengthened the FIU's capacity, public awareness, and enhanced national coordination.

55. In spite of this progress, there are still outstanding defficiences in the country's regime. The Gambia has not criminalised market manipulation; there is a lack of effective application of regulatory sanctions; there is no supervision of DNFBPs; and the country lacks comprehensive legislation and appropriate guidelines on Mutual Legal Assistance (MLA).

TABLE 2.5 : Changes in the AML/CFT System (2014–2015), The Gambia

	INCSR																				
	Crininalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Abillity to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	N	Y	N	N
2014	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	N	Y	N	N

Technical Assistance

56. In 2015, The Gambia expressed its technical assistance needs to include the following areas: training and awareness raising for the FIU; training for the judiciary; and training for regulatory and supervisory agencies.

57. The Gambia has made significant progress in strengthening its AML/CFT mechanism. However, efforts need to be continued so that any remaining weaknesses can be adressed in the near future as part of the implementation of the Action Plan of the National AML/CFT Strategy.

GHANA

Political Situation

58. Ghana consolidated on its history of peace and political stability throughout 2015. Political mobilization ahead of the 2016 general elections has proceeded quietly. This stability goes on to confirm the maturity of the country's political insitutions and the confidence of the population in the political process.

59. By regional standards, Ghana has always meaused high on governance, although the country witnessed a slight drop on its governance rating from the pevious year. The country scored 47% on the 2015 Transparency International's CPI and ranked 56th out of 168 countries against a rate of 48% and was ranked 61st out of 175 countries in 2014.[17] The country maintaind its 7th position on the 2015 IIAG, though its score dropped slightly to 67.3%.[18]

Economic and Financial Situation

60. The economy of Ghana faced a combination of challenges in 2015, which have accentuated the downward trend since 2014, after about a decade of accelerated growth. These challenges including a sharp currency depreciation, deepening energy crisis, deteriorating macroeconomic imbalance, and rising inflation and interest rates.[19] GDP growth declined from 7.3% in 2013 to an expected rate of 4.2% in 2014 and then to 3.9% in 2015. However, the high inflation rate of 17% over the year 2014 is expected to decline by 8.3%[20]. The economy is projected to recover with increased production of oil and gas.

61. In terms of governance, the country has experienced a slight decline in its rating of corruption in the public sector. While the country recorded a 48% rate in Transparency International's CPI and ranked 61st out of 175 countries in 2014, the score fell to 47% in 2015. According to the IIAG, Ghana retained its rank in 2015 of 7th out of 54 African countries, with a score of 67.3%.[21]

Prevalence of Predicate Offences

62. In 2015, all the main money laundering predicate offences, including drug trafficking, corruption, cyber crime, fraud, tax evasion, smuggling of goods, human trafficking, theft, forgery and piracy, were reported by the country as prevalent.[22] The proceeds of these offences are laundered in various forms in Ghana. The methods mostly used are real estate, cross-border cash movement, banks, insurance companies, DNFBPs, microfinance and equity investment.[23]

63. The largely cash and informal nature of the economy continues to make it difficult to detect and track illicit financial flows in Ghana. Finally, Ghana is ranked Tier 2 as a transit route and destination country for women and children subjected to forced labor and sex trafficking.[24]

AML/CFT Situation

64. Ghana is one of the best performing GIABA Member States in terms of supporting the implementation of AML/CFT measures of acceptable international standards.

65. However, the major outstanding deficiencies in the country's AML/CFT regime include the following: non-passage of the Extradition Bill, the Real Estate Bill, and the Companies (Amendement) Bill; weak supervision and implementation of AML/CFT measures in the

17. See the Transparency International CPI for 2014 and 2015
18. 2015 Ibrahim Index of African Governance
19. African Economic Outlook 2015, p. 257
20. Ibid
21. 2015 Ibrahim Index of African Governance, p. 4
22. GIABA, Synthesis of Country Reports 2015.
23. GIABA, Summary of Country Reports.
24. 2015 Trafficking in Persons Report, p. 167

securities and insurance sectors; and weak monitoring of DNFBPs. Some of the country's AML/CFT indicators for 2015 published by the US State Department have not changed over 2014, as presented in Table 2.6 below.

66. Ghana is in the process of completing its National AML/CFT risk assessment with the support of the World Bank and GIABA. The outcome of the assessment should help the country better understand the AML/CFT risks it faces in order to develop and implement appropriate measures to mitigate them, ahead of the Second Round of GIABA's Mutual Evaluations. Chapter Three of this report details the specific actions undertaken by Ghana to reinforce its AML/CFT regime.

Technical Assistance

67. Ghana is being supported by GIABA and its partners to further strengthen its AML/CFT regime. The country has been able to undertake its NRA. Other areas of technical assistance needs that the country expressed in the year are: training, awareness and mentoring for its FIU.

TABLE 2.6 : Developments in the AML/CFT Regime (2014–2015), Ghana

	INCSR																			
	Crininalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Ability to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	N
2014	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	N	Y	Y	Y	Y	N

GUINEA

Political Situation

68. Year 2015 served as a democratic transition and peace consolidation for Guinea, with the peaceful holding of the presidential elections that saw the re-election of President Alpha Conde. The country is one of West Africa's hardest hit by the Ebola Virus Disease (EVD). The epidemic has undermined the new authorities' efforts to improve the lives of the populace on governance, among others.

69. The country scored 25% in 2014 and ranked 139th out of 168 countries on the 2015 Transparency International's CPI. On the IIAG for 2015, Guinea ranked 40th out of 54 African countries, with a score of 43.7%. The low level of performance should be improved upon with the implementation of robust and effective AML/CFT measures.

Economic and Financial Situation

70. The economy of Guinea has struggled to recover from the severe toll of the EVD since 2013. Although the country was pronounced Ebola-free in 2015 by the WHO, GDP is projected to rise sluggishly from a mere 0.6% in 2014 to 0.9% in 2015.[25]

25. African Economic Outlook 2015, p. 258

71. Inflation has been gradually subdued from 11.9% in 2013 to 8.6% in 2014 and 7.0% in 2015. Given the sustainable budget deficit and steady exchange rate, the macroeconomic environment is expected to stabilize with the implementation of robust structural reforms.

Prevalence of Predicate Offences

72. Guinea did not submit its Country Report for 2015. However, the prevalent predicate offences in 2014 were identified as follows: drug trafficking, corruption, tax fraud/evasion, smuggling of gems and precious metals, goods smuggling, bank fraud, forgery and piracy. The known channels for laundering the proceeds of these offences include investment in real estate, cross-border transportation of cash and bearer instruments, banks, casinos and microfinance.[26]

73. Guinea is in the Tier 2 category of the US Human Trafficking assessment. The country is a source, transit, and, to a lesser extent, destination country for men, women, and children subjected to forced labor and sex trafficking.

AML/CFT Situation

74. Despite the devastating impact of the EVD, Guinea made impressive progress towards addressing the gaps in its AML/CFT regime. In particular, the country demonstrated political commitment to improving its regime. Some of the outstanding achievements include:
- The establishment of the Inter-Ministerial Committee;
- Improvement in the AML/CFT legal and regulatory framework;
- Implementation of AML/CFT meausres by the Central Bank; and operationalisation of the FIU.

75. Notwithstanding this progress, Guinea's AML/CFT regime still suffers some deficiencies and the country is on the Enhanced Follow-up process of GIABA's mutual evaluations. In order to address these gaps, Guinea should follow through with the passage of all pending AML/CFT bills, revise the Penal Code to ensure criminalization of the full range of designated offences, and recruit staff at the FIU for more effective analysis of STRs.

Technical Assistance

76. Guinea's failure to submit its Country Report 2015 also means the country did not express technical assistance needs for the year. However, the following technical assistance needs were expressed in the previous year: training for AML/CFT stakeholders, and generally, ICT equipment for the FIU and capacity building for supervisory and law enforcement authorities.

TABLEAU 2.7 : Developments in the AML/CFT Regime (2014–2015), Guinea

	INCSR																				
	Crininalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Abillity to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	N	Y	Y	Y	Y	Y	N	Y	N	N	Y	N	N	Y	Y	Y	Y	N
2014	Y	Y	Y	N	Y	Y	Y	Y	Y	N	Y	N	N	N	N	N	Y	Y	Y	N	N

26. GIABA Summary of Country Reports 2014

GUINEA-BISSAU

Political Situation

77. Guinea Bissau's political system has increasingly stabilized since the successful conclusion of the democratic transition in 2014, which ended with the peaceful presidential election of May 2015. Although the removal of the Prime Minister by the president in August of 2015 provoked some political crisis, the timely intervention of ECOWAS ensured that the crisis was well managed and that the institutions and fledgeling democracy were not disrupted or threatened in any serious way.

78. The modest improvement in the political climate has translated into improvement in overall governance in the country. The country has maintained its 45th position on the IIAG as was in the previous year, with a score of 35.7%. In the level of corruption perception, the country dropped points from the score 19% in the previous year to 17% in 2015. It is crucial for the country and development partners to support the enhancement of the overall governance framework. Such efforts will considerably support the capacity of the country to address the remaining gaps in its AML/CFT regime.

Economic and Financial Situation

79. The improvement in the socio-political climate was crucial to the return of donor support in the year. Overall, the economy has steadily improved over the last three years. GDP, which grew at 2.6% in 2014, is projected to accelerate at 3.9% in 2015, with the return of international technical and financial partners, as well as the performance of cashew exports. In spite of this growth, the rate of inflation skyrocketed from 0.6% in 2014 to 2.6% in 2015. Guinea-Bissau has some of the lowest Human Development Indices, and faces the challenge of alleviating poverty, thereby making the country highly vulnerable to the AML/CFT phenomena.

Prevalence of Predicate Offences

80. The main ML predicate offences reported by the country in 2015 include, drug trafficking, corruption, and tax fraud/evasion.[27] The country is a well-known transit route for Europe-bound cocaine from Latin America, as reported in the past years. In addition, Guinea-Bissau is reported as a source country for children subjected to forced labor and sex trafficking. Having failed to fully meet the minimum requirements of the US State Department on human trafficking, Guinea Bissau remained in Tier 3 category in the US State Department's Human Trafficking Report for 2015 as in the previous years.

81. The main methods used for laundering the proceeds of these offences are real estate, cross-border transport of cash and bearer instruments, banks, insurance companies, and DNFBPs.

AML/CFT Situation

82. Since the inauguration of the new democratic Government in 2014, Guinea Bissau has demonstrated greater willingness and commitment to addressing the identified deficiencies in its AML/CFT regime. The country took steps in 2015 to address the outstanding strategic deficiencies in its AML/CFT regime. The details of these actions are provided in Chapter Three of this report. As a result of those measures, the country was removed from the Enhanced Follow-up process of GIABA's Mutual Evaluation and placed under the Expedited Regular Follow-up process.

83. However, in spite of those efforts, the country's AML/CFT regime still has a number of limitations, which need to be overcome by the new Government. The major deficiencies include the following: failure to criminalize the full range of ML/TF predicate offences; ineffective implementation of the Anti-Money Laundering measures and regulations; failure to implement mechanisms for the seizure and confiscation of assets; and failure to enforce appropriate CDD measures.

27. Guinea Bissau Country Report to GIABA 2015

84. With a score of 8.15, Guinea Bissau was ranked the 4th most vulnerable country in the world to money laundering in 2015, indicating a deterioration from the 5th position in the previous year. Some of the developments in the country's AML/CFT regime over the last year are presented in the table below.

TABLE 2.8 : Developments in the AML/CFT Regime (2014–2015), Guinea-Bissau

	INCSR																			
	Crininalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Inteligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Abillity to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	N	Y	Y	Y	N	N	Y	Y	Y	Y	Y	N	N	Y	Y	Y	Y	Y
2014	Y	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Y	Y	Y	N	N	Y	Y	Y	Y	Y

Technical Assistance

85. GIABA and its development partners have renewed their commitment to support the new administration's efforts towards strengthening the country's AML/CFT regime. GIABA worked closely with the country and helped it to develop an Action Plan for addressing the remaining deficiencies. The most urgent technical assistance needed, as reported by the country in 2015, is training for the FIU.

LIBERIA

Political Situation

86. Liberia in 2015 continued to stablise its political situation. The success of two peaceful presidential elections and one senatorial election also served as a testimony to the progress made.

87. However, the continuous presence of the United Nations Mission in Liberia (UNMIL) is an indication of the fragility of the country's institutions and security. While the outbreak of the EVD in 2014 undermined social and economic gains of post-war recovery, 2015 embodies growth outlooks to be encouraged and supported, especially with the Ebola virus disease being brought under control.

88. In terms of good governance, the country has been unable to substantially improve its performance, as revealed by the Transparency International report.[30]

89. The country retained its 2014 score of 37% and rank of 94th out of 175 countries. On the IIAG 2015, Liberia occupies the 26th position out of 54 African countries, with a score of 50.7. The effective implementation of robust AML/CFT measures is expected to improve those good governance indicators.

Economic and Financial Situation

90. Due to the severe impact of the Ebola epidemic, the economy slowed down in 2015 from the growth of 8.7% in 2013 to just 1.8% in 2014. However, with the end of Ebola, the hardest-hit, services and agriculture sectors

are projected to pick up and push growth to 3.8% in 2015.[28]

91. Also, the Ebola-induced inflation, which rose sharply to 9.9% in 2014, is on the decline. Inflation dropped to 7.4% in 2015 and is projected to fall further to 7.0% in 2016.[29] As a corrective measure, the Government is currently focusing on improving the business-enabling environment to generate jobs and increase incomes. The impact of this measure is expected to reduce vulnerability in the country.

Prevalence of Predicate Offences

92. The most prevalent predicate offences to ML/TF in 2015 identified in the country report are drug trafficking, corruption, tax fraud/evasion, smuggling of goods, theft and forgery. According to the Trafficking in Persons Report 2015,[30] Liberia is a Tier 2 country as well as a source and destination country for men, women, and children subjected to forced labor and sexual exploitation.

93. These predicate offences generate illicit proceeds that are being laundered through the real estate, cross-border transport of cash and bearer instruments, banks, and casinos, bars and gambling.[31]

AML/CFT Situation

94. In spite of the heavy burden of the EVD on the socio-economic situation, the country made progress in addressing the deficiencies in its AML/CFT regime in 2015. Chapter Three of this report gives details of the efforts being made by the country, though there are still many challenges.

95. The country has not adequetly criminalized illicit trafficking in stolen and other goods, illicit arms trafficking, counterfeiting and piracy of products. In addition, Liberia has not implemented the provisions on freezing, seizure and confiscation of proceeds and instrumentalities of crime. The country needs to fasttrack the passage of outstanding bills in these areas.

96. According to the 2015 Country Report, the most serious factors limiting the implementation of AML/CFT measures in the country include weak law enforcement, weak capacity of repression authorities, and weak political commitment to the implementation of effective measures.

97. The table below shows some of the developments in the country's AML/CFT regime since 2014.

TABLE 2.9 : Developments in AML/CFT Regime (2014–2015), Liberia

	INCSR																				
	Crininalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Ability to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	O	O	O	N	O	O	O	O	O	O	O	O	N	O	O	N	O	O	O	O	N
2014	O	O	O	O	O	O	O	O	O	N	O	O	N	O	O	O	O	O	O	O	N

28. African Economic Outlook 2015, p. 262
29. Op. cit
30. US State Department Trafficking in Persons Report 2015
31. GIABA Summary of Country Reports 2015.

Technical Assistance

98. The country's technical assistance needs expressed in 2015 are mainly the strengthening of the operational capacities of the staff of the FIU and providing it with ICT equipment.

MALI

Political Situation

99. The political situation in Mali has gradually improved since the conclusion of the historic peace deal with the Tuareg nationliast rebels in 2013. That deal paved the way for the peaceful presidential election in the same year, thus completing the transition to democratic governance and ending years of armed conflict. Since the sucessful parliamentary election of 2014, the country's political system has progressively stabilized.

100. However, the security situation is still precarious. In fact, various terrorist groups, which had been temporary weakened with the deployment of French and MINUSMA in 2013, stepped up more audacious attacks in 2015.

101. In spite of the worsening of the security situation, Mali has improved on corruption since the return to constitutional order. The country's score on Transparency International's CPI improved to 32% in 2014 from 28% in 2013; and its ranking to 115th out 175 countries in 2014 from 127th out of 175 countries in 2013. On the IIAG, Mali registered the worst deterioration in overall governance in the region during the year from the base year of 2011. The country scored 45.8% in 2015, marking the loss of 19.9 points since 2011.[32] Reversing this trend is crucial for reinforcing the country's capacity to make progress in the implementation of robust and effective AML/CFT measures.

Economic and Financial Situation

102. Despite the debilitating effects of the protracted security crisis in Mali, the economy remained firm on the path to recovery with GDP growth that consolidated at 5.4% in 2015.[33] This performance has been largely driven by the primary sector, followed by the service sector. Inflation rose sharply from 0.9% in 2014 to 2.1% in 2015, which is well within the UEMOA ceiling of 3.0%.

103. The prices of Mali's main exports which are cotton and gold remained highly volatile on the international market. Mali is among countries that are close to the bottom of the UNDP Human Development table and continues to grapple with the major challenge of poverty reduction.

Prevalence of Predicate Offences

104. In 2015, tax fraud/evasion, smuggling of precious stones and metals, goods smuggling, human trafficking, theft, forgery and piracy were reported as the main ML/TF predicate offences.[34] Mali was retained in the Tier 2 Watch List category of the Traficking in Persons report in 2015.[35] The country is a source, transit, and destination country for men, women, and children subjected to forced labor and sexual exploitation.

105. As reported in 2014, the limited presence of the State in the large part of northern Mali, where terrorist and separatist groups continue to reign, exercebates crime. The country report lists the following channels for laundering the proceeds of these offences: real estate, cross-border transport of cash and bearer instruments, banks, insurance companies, DNFBPs, Casinos/gambling, microfinance, and financial markets.

AML/CFT Situation

106. In spite of the country's security challenges, Mali in 2015 sustained efforts to address the deficiencies identified in its AML/CFT regime. The country strengthened its legal framework through the enactment of Decree No. 2015-0230/P-RM of 2 April 2015 relating to administrative freezing of funds and other financial assets of terrorists and terrorist organizations; and Decree No. 2015-0265/P-RM of

32. Ibrahim Index of Africa Governance, 2015, p. 8
33. Afrian Economic Outlook, 2015
34. Mali Country Report to GIABA 2015
35. US State Department Trafficking in Persons report 2014

10th April 2015, relating to the identification of subscribers to telecommunications/ICT open to the public.

107. The country also signed cooperation agreements with foreign counterparts, and conducted numerous training sessions to enhance the capacity of national AML/CFT stakeholders during the year.

108. There are however outstanding technical deficiencies relating to some FATF core and key recommendations, specifically R5, R10 and SRIII. The country needs to speed up the enactment of the relevant Bills pending before the Parliament and domesticate the revised UEMOA Uniform AML/CFT Law in order to enhance the effectiveness and compliance of its AML/CFT regime.

109. Mali's FIU received 22 STRs linked to money laundering in 2015, none of which was referred to judicial authorities for prosecution, and no ML/TF conviction was reported in the year.[36] The country was ranked as the 5th most vulnerable country to ML/TF on the Basel AML Index. This situation calls for greater awareness-raising targeting stakeholders and the strengtheining of their investigative and prosecution capacities.

110. Table 2.10 below shows some of the developments in the country's regime from 2014 to 2015.

TABLE 2.10 : Developments in the AML/CFT Regime (2014–2015), Mali

	INCSR																			
	Crininalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Abillity to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Y	Y	N	Y	Y	Y	Y	N
2014	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Y	Y	Y	Y	Y	N

Technical Assistance

111. In order to address the weaknesses in its AML/CFT regime, Mali expressed technical assistance needs for 2015. They are in the areas of training, civil society awareness raising, equipment and logistical support for the FIU.

36. GIABA Summary of Country Reports 2015.

NIGER

Political Situation

112. 2015 is pre-election year for Niger and the build-up to the polls tested the resilience of the country's political system and fledgeling democracy. In addition, terrorist attacks by Al Qaeda and Boko Haram increased in the country.

113. Overall governance improved in 2015, with the country ranking 20th in Africa, scoring 56.8% and cumulating a 1.4 point rise from the 2014 level. The Corruption Perception Index of Niger for 2015, as published by Transparency International, slipped back to 34% as of 2015 after the slight rise to 35% in 2014.

Economic and Financial Situation

114. Niger posted strong economic performance in 2015. GDP growth accelerated from 4.1% in 2013 to 7.1% in 2014 and to a projected 6.0% in 2015.[37] This impressive performance is underpinned by buoyant output in agriculture, construction as well as the transport and communications sectors.

115. Inflation stabilized at 1.3% in the year, while the implementation of the 3N (Nigeriens Nourish Nigeriens) initiative continues in a bid to ensure food security.

116. To resolve the critical problem of growing poverty, the Government has implemented the Economic and Social Development Plan (PDES) 2012–2015. The Plan is aimed at transforming the economy in a way that benefits all. Specifically, it seeks to promote strong and inclusive growth and focuses on five strategic areas: (i) credibility and effectiveness of public institutions; (ii) sustainable, balanced and inclusive development; (iii) food security and sustainable agricultural development; (iv) competitive and diversified economy for enhnaced and inclusive growth; and (v) social development.

117. With Niger's long, poorly manned borders and the presence of various terrorist groups in neigbouring countries, the terrorist threat continued to escalate, which worsens the country's vulnerability to criminal activities.

Prevalence of Predicate Offences

118. In 2015, drug trafficking, corruption, tax fraud/evasion, smuggling of precious stones and metals, goods smuggling, and human trafficking were reported by Niger as the prevalent ML/TF predicate offences. Niger was placed in the Tier 2 category in the 2015 Trafficking in Persons report. The country is a source, transit, and destination country for men, women, and children subjected to forced labor and sexual exploitation.

119. The techniques that criminals use to launder the proceeds derived from offences include real estate, cross-border transport of cash and bearer instruments, banks, DNFBPs, casinos, gambling, and microfinance.

AML/CFT Situation

120. Niger made considerable progress in reinforcing its AML/CFT regime in 2015. In particular, Niger enacted an Anti-Migrant Smuggling Act and adopted a Decree on Cross-Border Declaration of Currency and Bearer Negotiable Instruments. The country also constructed new office premises for the FIU, which received 24 STRs, including one STR relating to the financing of terrorism. In all, four cases were processed and sent to the prosecutor's office for possible prosecution.

121. Also, the country indicted and detained several suspects for offences relating to money laundering. The FIU of Niger was admitted as a Member of the Egmont Group during the year. Also, Niger is in the process of procuring the GoAML software to enhance the operations of the FIU. The country established specialized Legal Divisions in economic and financial matters and designated an office to investigate economic and financial crimes.

37. African Economic Outlook, 2015

122. A major gap in the country's regime, however, is the failure to domesticate the new UEMOA Uniform Directive on AML/CFT necessary for enhancing the country's compliance with international standards. Some other developments that have occurred in the country's AML/CFT regime are captured in the table below.

TABLE 2.11 : Developments in the AML/CFT Regime (2014–2015), Niger

	INCSR																			
	Criminalisezed Drug ML	Criminalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Ability to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	N	Y	Y	N	Y	Y	Y	Y	Y	N	Y	Y	N	Y	Y	Y	Y	N
2014	Y	Y	Y	N	Y	Y	N	Y	Y	Y	N	Y	N	Y	Y	N	Y	Y	Y	N	N

Technical Assistance

123. In its Country Report to GIABA for 2015, Niger listed its technical assistance needs to include training, awareness raising, ICT equipment and logistics, and typologies/research capacity for the FIU. Other required assistance include training for the judiciary, awareness raising for the DNFBPs, as well as training on international cooperation for stakeholders.

NIGERIA

Political Situation

124. The year 2015 was epochal in the political history of Nigeria, as it marked the power shift following the presidential election. The landslide victory of the opposition All Progressives Congress (APC) at all levels (presidential, parliamentary and governotorial) in March, after the ruling Peoples Democratic Party (PDP) had dominated all 16 years of democracy, marked a political watershed.

125. The country also made considerable gains on security. The terrorist group, Boko Haram, is increasingly countered and gradually being dispossessed of terrirories held. In addition, the spate of terrorist attacks has been considerably diminished. The army is better equipped and anti-corruption measures have been stepped up. Major reforms have been undertaken to improve good governance, making the country one of the best reformers for 2015.

126. The Transparency International 2015 CPI shows that these reforms have yielded a positive impact on corruption. While the country's score hovered from 27% to 25% and 27% in 2012, 2013 and 2014, respectively, the score jumped to 34% in 2015. The IIAG puts the country's overall governance score at 48.8%, a 2.1-point improvement since the base year of 2011. These achievements in 2015 indicate the Federal Government's commitment to effective implementation of AML/CFT measures.

Economic and Financial Situation

127. The sharp fall in the price of petroleuom – the country's main revenue earner – from over $100 a barrel before mid-2014 to less than $30 before the end of 2015 exposed Nigeria's fragile economic foundations. Dependent on a single commodity export earning, the collapse of the oil price resulted in the drastic shortage of the dollar needed to fund import of critical goods and services. This has exarcerbated the inflationary pressure.

128. The robust economic growth of around 7% of the past decade slowed down in the year to a projected moderate growth of 5%, while inflation climbed to 8.3% from 8.1% in the previous year. The new administration has commenced a strategy of diversifying the economy away from the oil sector. Hopefully, the improving situation of security in the northeast as well as improvement in overall governance will enable the Government to vigorously pursue its vision of inclusive growth and sustain its fight against corruption, money laundering and terrorist financing.

Prevalence of Predicate Offences

129. Nigeria did not submit its Country Report for 2015 to GIABA. However, 'Nigeria remains a major drug transshipment point and a significant centre for criminal financial activity,' according to the US Department of State INCSR report 2015. To confirm this, frequent interceptions and seizures of sizeable quantities of cocaine and heroin at the Murtala Mohammed International Airport in Lagos, and at other points of entry, have continued in 2015.

a) The INCSR also reports other prevalent predicate offences to include illegal oil bunkering and embezzlement, corruption, contraband smuggling armed robbery, and financial offences, such as bank fraud, real estate fraud, tax fraud, etc.[38] According to the US State Department report on Trafficking in Persons, Nigeria retained its position in Tier 2 and is a source, transit, and destination country for women and children subjected to forced labor and sex trafficking.[39] Also, public sector corruption is rife in the country as evidenced by the outcome of investigations instituted by the new administration.

AML/CFT Situation

130. Nigeria has continued to sustain the significant progress of previous years towards fortifying its AML/CFT regime, resulting in the country being removed form the FAFT ICRG process. The progress made in 2015 was notable in the areas of supervision of reporting entities, international cooperation, and military operation against terrorism, the details of which are contained in Chapter Three.

131. The country is also on course to becoming a Member of FATF. The completion of this process will raise Nigeria to the position of Africa's second country after South Africa to join the prestigious institution.

132. According to the INCSR 2015, money laundering in Nigeria is undertaken through real estate; wire transfers to offshore banks; political party and campaign financing; deposits into foreign bank accounts; abuse of professional services, such as those of lawyers, accountants, and investment advisers; re-selling imported goods, such as luxury or used cars, textiles, and consumer electronics purchased with illicit funds; and bulk cash smuggling.

133. The non-submission of Nigeria's Country Report for 2015 makes it difficult to obtain comprenhsive data on the implementation of AML/CFT measures in the country within the year. There are, however, some outstanding deficiencies that the country needs to address in its AML/CFT regime. These include essentially the failure to enact three key pieces of legislation on: confiscation of proceeds and instrumentalities of crime; the FIU; and mutual legal assistance.

134. The table below lists the key developments in the country's regime over the last two years.

38. INCSR 2015, p. 172
39. Trafficking in Persons Report 2015, p. 265

TABLE 2.12 : Develpments in the AML/CFT Regime (2014–2015), Nigeria

	INCSR																			
	Crininalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Abillity to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	N
2014	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	N

Technical Assistance

135. The country did not express its technical assistance needs to GIABA's Secretariat in 2015. In 2014, however, the country reported, inadequate or inappropriate supervision, weak political commitment and inadequate ICT equipment as the major factors limiting AML/CFT implementation. Technical assistance provided to the country in 2015 is expected to correct these deficiencies.

SAO TOME & PRINCIPE

Political Situation

136. Sao Tome and Principe (STP) has continued to consolidate on political stablility through robust reforms. Though not a Member State of ECOWAS, STP was admitted as a GIABA Member State in 2013.

137. In terms of governance, Sao Tome and Principe remains one of the high performers in Africa. The IIAG for 2015 puts the country at the 10th position out of 54 African countries. However, there is a slight decline of 0.8 point from the base year of 2011.[40] STP has maintained the score of 42% on Transparency International's CPI since 2012 and ranks 66th out of 168 countries. This indicates an improvement from the rank of 76th out of 175 countries in the previous year.[41]

Economic and Financial Situation

138. Driven by improvements in agriculture and services, the economy has been on the steady path of modest growth in recent years. The GDP growth rate improved from 4.0% in 2013 to 4.9% in 2014, and to a projected 5.1% in 2015. The performance of the agriculture and services sector was also supported by strict implementation of monetary policy measures under the 2012-2015 Extended Credit Facility agreement with the IMF, and the fixed exchange rate regime (pegging the local currency to the Euro since 2010), which helped drive inflation down to a projected 5.2% from 6.3% in the previous year.[42]

139. Given the volatility of the world commodity prices, the country has sustained efforts to diversify its economy, which had been mainly driven by cocoa exports.

40. See IIAG 2015, p. 8
41. Transparency International's CPI 2014 and 2015
42. African Economic Outlook 2015, STP Country Profile

140. In terms of human development, the country has maintained its place at the bottom of the HDI in 2015.

Prevalence of Predicate Offences

141. In its Country Report submitted to GIABA in 2015, Sao Tome and Principe identified the prevalent predicate offences in its jurisdiction as drug trafficking, corruption, fraud/ tax evasion, goods smuggling, human trafficking, theft, forgery and piracy. The proceeds from these offences are laundered through real estate, banks, DNFBPs, casino/gambling, and micro-finance.[43]

142. The island country is characterized by a weak, predominantly informal and cash-based economy, which can be a contributory factor in increasing its vulnerability to money laundering, terrorist financing and their predicate offences. Also the country's geostrategic position could make it a hub for criminal organisations.

AML/CFT Situation

143. Since the adoption of STP's Mutual Evaluation Report in May 2013, the country has continued to make efforts to address the significant deficiencies identified in its AML/CFT regime. Some of the major measures adopted by the country to address those deficiencies in 2015 include the drafting of the code for criminalizing piracy and counterfeiting of products, insider trading and market manipulation, adoption of new measures on CDD, Justification of the Origins of Fund; and the full functioning of the FIU. The details of this progress are given in Chapter 3 of this report.

144. However, there are still significant deficiencies in STP's AML/CFT regime. They include: inadequacy of STP's legislation in respect of FATF requirements as regard international cooperation, in particuler mutual legal assistance and extradition; weak supervision of reporting entities; law and the lack of modern tools for analyzing STRs.

145. The country in 2015 recorded eleven (11) ML investigations and 11 ML prosecututions. However, the country report provides no information on the conclusion of these cases, including judgements and punishments handed.

Technical Assistance

146. STP's nascent AML/CFT regime needs to be mentored and strengthened through the effective implementation of AML/CFT measures. STP identified the following technical assistance needs in 2015: training for the FIU as well as all AML/CFT stakeholders, especially the judiciary, and awareness-raising for civil society organisations.

SENEGAL

Political Situation

147. Senegal continued to maintain its reputation as a regional example of political stability built on multi-party democracy and a culture of peace and tolerance. Other than student protests over delays in the disbursement of stipends, the country remained peaceful throughout 2015.

148. Since coming to power in 2012, the Macky Sall Administration has sought to consolidate peace in the country, deploying efforts to preserve and ensure the country's unity.

149. Senegal has retained its solid place as one of the top performers on governance in 2015. With an impressive score of 70.6%, the country is placed 7th out 54 African countries on the IIAG in 2015. The same index shows that the country gained a total of 5.4 points in 2015 since the base year of 2011. In particular, the country has continued to make progress in combating the menace of

43. See STP Country Report to GIABA 2015

corruption. Senegal scored 41%, 43% and 44% on the Transparency International's CPI for 2013, 2014 and 2015, respectively. The Government's resolute stance against corruption as a leading predicate crime to money laundering testifies to its determination to entrench good governance and sustain the democratic achievements.

Economic and Financial Situation

150. The economy of Senegal continued on the path of modest growth in 2015. GDP grew at 3.5% in 2013 and 4.5% in 2014. In 2015, growth accelerated slightly to a projected 4.6%.[44] Inflation rose sharply to 2.0% from -0.4% in the previous year. This is well below the 3.0% threshold set by the UEMOA.

151. Promoting human development is a major concern for the Government and is the driving factor for the launching of the Plan Sénégal Emergent (PSE) in 2014. With the score of 0.466 on the UNDP Human Development Index for 2015, Senegal is ranked 170th out of 188 countries in the world. Hopefully, with sustained implementation of the projects under the launched PSE, the economy will experience transformation and grow rapidly enough to deliver the goal of improved well-being for the population. The PSE is aimed at making Senegal an emerging economy by 2035 and a hub for West Africa. One of the three areas of focus of the initial implementation phase (2014 to 2018) is related to human capital, social protection and sustainable development.

Prevalence of Predicate Offences

152. For 2015, authorities in Senegal reported no prevalence of ML/TF predicate offences, though the country reported drug trafficking and cyber crime as the most prevalent offences in 2014. According to the Trafficking in Persons report for 2015, Senegal is a source, transit, and destination country for children and women who are subjected to forced labor and sex trafficking. Also, the country's status as a significant commerciale centre bordered by countries that are very vulnerable to drug trafficking and terrorist activities heightens its vulnerability to the threats of ML/TF.

AML/CFT Situation

153. Senegal contunied to demonstrate strong commitment to AML/CFT implementation and the country will exit the GIABA First Round Mutual Evaluation process in 2016 in preparation for 2017 when it will undergo the Second Round. Senegal succeeded in securing ML convictions and confiscation of proceeds of crime. Also during the reported period, the country effectively recovered financial assets, and seized lands and other assets, based on convictions secured in the court. The details of the country's efforts in 2015 are provided in Chapter Three of this report.

154. Nothwitshanding this performance, the country still has some deficiencies in its AML/CFT regime. Senegal has not criminalized the financing of terrorism in accordance with the FATF Recommendations. In addition, the country has not yet domesticated the new UEMOA Directive on AML/CFT.

155. The table below shows the developments in the country's regime between 2014 and 2015.

44. African Economic Outlook, 2015, Senegal Country Profile

TABLE 2.13 : Developments in the AML/CFT Regime (2014–2015), Senegal

	INCSR																			
	Criminalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Abillity to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
2014	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N

Technical Assistance

156. Given the exemplary commitment of Senegal, GIABA and technical and financial partners must continue to support the country's efforts to address the remaining deficiencies in its AML/CFT regime. The technical assistance needs expressed by the country in 2015 are training and awareness raising for the FIU staff and other AML/CFT stakeholders.

SIERRA LEONE

Political Situation

157. Since the end of the civil war and despite the heavy burden of Ebola, Sierra Leone has been pursuing its national reconstruction and political stability efforts. However, the decline of the country's score from 31% in 2014 to 29% in 2015 on the Transparency International's CPI indicates a deterioaration of governanance, especially as concerns corruption. The score has swung between 30% and 31% from 2012 to 2014, and the country's ranking dropped from 119th out of 175 countries in the 2014 to 119th out of 168 countries in 2015. On overall governance, the country made cumulative progress of 0.7 points since the base year of 2011. It is hoped that the country will be able to sustain this positive trend and do much better in the post-Ebola years ahead.

Economic and Financial Situation

158. Due to the impact of the Ebola crisis, the economy receded to -2.5% compared with 6% in 2014 and 20% in 2013. Inflation is projected to still stand between 9.4% and 10.0%.

159. The high inflationary pressure due to the Ebola-induced food insecurity and rising levels of poverty exacerbated the already poor social condition of the population. With a low index of 0.413, Sierra Leone ranks 181st out of 181 countries in the world on the UNDP HDI.[45]

160. These figures are illustrative of the country's extensive vulnerability to ML/TF risks.

Prevalence of Predicate Offences

161. Sierra Leone did not submit its Country Report to GIABA in 2015. The predicate offences reported to be prevalent in 2014 were drug trafficking, corruption and tax fraud/evasion. The country retained its 2014 classification as Tier 2 on human trafficking. It is a source and destination country for men, women, and children subjected to forced labor and sex trafficking.

45. UNDP Human Development Report 2015, p. 210

AML/CFT Situation

162. Sierra Leone demonstrated greater commitment to implementing AML/CFT in 2015. The country has made progress in addressing the weaknesses in its AML/CFT regime. Some of the measures adopted by the country include preparation of amendments to the AML/CFT law and the Securities Bill to improve compliance with Recommendation 1 and Special Recommendation II, respectively; and drafting of Directives & Guidelines for Financial Institutions on the Prevention of Money Laundering and Terrorism Financing, and Directives and Guidelines for Legal Practitioners/Law Firms on the Prevention of Money Laundering and Terrorism Financing. Also, Sierra Leone conducted AML/CFT supervision of banks and the FIU delivered AML/CFT training to commercial banks; while the Central Bank issued Guidelines for mobile money financial services. Chapter Three provides the details of all other measures implemented by the country during the year.

163. Some of the deficiencies in the country's regime include the non-passage of the amendment to the AML/CFT law, and the non-criminalisation of the outstanding predicate offences. The table below also indicates some of the developments that have occurred in the country's AML/CT situation since 2014.

TABLE 2.14 : Developments in the AML/CFT Regime (2014–2015), Sierra Leone

	INCSR																			
	Crininalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Abillity to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	N	Y	Y	N	Y	N
2014	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	N	Y	Y	N	Y	N

Technical Assistance

164. Given the toll of the EVD on the national capacity of Sierra Leone, the country deserves greater assistance to intensify efforts towards effective implementation of AML/CFT measures.

165. Though the country did not report on its technical assistance needs for 2015, the technical assistance needs expressed by Sierra Leone in 2014 were training and strengthening the capacities of FIU staff and those of judicial authorities.

TOGO

Political Situation

166. Togo conducted an intensely contested presidential election in 2015, resulting in the re-election of President Faure Gnassingbe. Despite the opposition's strong criticism against amendements to the electoral law, the country has remained peaceful and stable after the election.

167. Overall governance improved in Togo from the base year of 2011. The country improved by a cumulative point of 4.0 and is on the 34th position out of 54 African countries.[46] The country has also made progress against corruption. While the country's score on the Transparency International's CPI declined from 30% in 2012 to 29% in 2013 and 2014, respectively, it rose to 32% in 2015. The country's position also improved to 107th out of 168 countries from 126th out of 175 countries in the previous year. The country needs to sustain this performance and reinforce the enabling environment to fully meet its AML/CFT obligations.

Economic and Financial Situation

168. Togo's economy has been growing steadily over the last decade. From 5.4% in 2013, the GDP growth climbed to 5.5% in 2014 and projected 5.7% in 2015.[47] This performance was driven mainly by infrastructural investment and reforms in the agriculture sector. In addition, inflation consolidated at 1.7%, well within the UEMOA threshold of 3%. Improving the business climate remained a major priority for the country in 2015. The World Bank Doing Business report ranked Togo among 10 world economies that most improved their business climate. The country moved to 149th place out of 189 countries in 2015 from 157th in 2014.[48]

169. Togo needs to improve on this good performance and inplement inclusive policies in order to make a serious dent on the poverty level. Government's commitment to effective implementation of the 2013-2017 Strategy for Boosting Growth and Promoting Employment (SCAPE) will determine how far the country can go in improving governance and enhancing human development.

Prevalence of Predicate Offences

170. In its 2015 Country Report, Togo reported the following ML/TF predicate offences as prevalent: corruption, tax fraud/evasion, smuggling of goods, human trafficking, theft, forgery and piracy. Togo maintained its Tier 2 classificiation, and is a source and transit country for men, women, and children subjected to forced labor and sex trafficking, according to the 2015 Human Taficking report.

AML/CFT Situation

171. Togo made some progress in addressing the deficiencies identified in its AML/CFT regime in 2015. Togo strengthened international cooperation in 2015, when the FIU signed a cooperation agreement with the FIU of South Africa. Chapter Three of this report outlines the measures implemented by the country.

172. In spite of these measures, the pace of the country's progress in addressing its AML/CFT deficiencies has been slow. Togo has not criminalized terrorist acts in accordance with the FATF Recommendations. The country has also not domesticated the new UEMOA Uniform Directive on AML/CFT. Togo must expedite action to pass into law pieces of legislation pending passage.

173. The FIU of Togo received 47 STRs from reporting entities in 2015, nine of which were processed and two forwarded to judicial authorities. However, there was no ML/TF prosecution.

46. IIAG 2015, p. 4
47. African Economic Outlook 2015, Country Note on Togo
48. World Bank Doing Business Report 2015

TABLE 2.15 : Developments in the AML/CFT Regime (2014–2015), Togo

	INCSR																			
	Criminalisezed Drug ML	Crininalisezed ML beyond Drug	KYC Provisions	Report Large Transactions	Reoprt Suspicious Transactions (YPN)	Maintain Records Over Time	Disclosure Protection – "Safe Harbor"	Criminalize "Tipping off"	Cross-Border Transportation of Currency	Financial Intelligence Unit (*)	IntL Law Enforcement Cooperation	System for Identifying /Forfeiting Assets	Arragements for Asset Sharing	Criminalized Financing of Terrorim	Report suspected Terrorist Financing	Ability to Freeze Terrorist Assets w/ Delay	States Party to 1988 UN Drug Convention	States Party to Intl. Terror Finance Conv.	States Party to UNTOC	States Party to UNCAC	US or Intl Org Sanctions/Penalties
2015	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	N
2014	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	N

Technical Assistance

174. Togo expressed its AML/CFT technical assistance needs for 2015 to include training, awareness raising, and ICT equipment and logistics for the FIU; training for the judiciary, financial institutions, civil society and the media.

175. Togo needs to demonstrate stronger commitment to boost the implementation of AML/CFT measures. In this regard, the country should step up its international cooperation with a view to securing adequate technical assistance.

CHAPTER 3

COUNTRY ASSESSMENT

176. Country Assessment is a key aspect of GIABA's mandate. GIABA assesses the AML/CFT regime of its member countries by way of mutual evaluations. Each GIABA member State has agreed to subject itself to mutual evaluation, a multilateral peer review exercise that assesses each member State's level of compliance with international AML/CFT standards, particularly the FATF Recommendations.

177. Following the assessment of a country and the discussion and adoption of its MER, the country is placed on the follow-up process. The follow-up process is intended to provide regular monitoring and up-to-date information on countries' compliance with the FATF Recommendations and also exert pressure on countries that fail to make significant progress in addressing the deficiencies in their AML/CFT regime. All GIABA member States have been assessed and placed on the follow up process.

FOLLOW-UP REPORTS

178. The GIABA Plenary meeting in May 2015 considered and adopted the Second and Third Follow-up Reports of Guinea, the Second Follow-up Report of Sao Tomé & Principe, the Fourth Follow-up Reports of Togo and Liberia, the Fifth Follow-up Report of Benin, the Seventh Follow-up Reports of Nigeria and Senegal, the Eighth Follow-up Report of Cabo Verde, the Ninth Follow-up Report of Guinea Bissau and the Eleventh and Twelfth Follow-up Reports of Sierra Leone. The GIABA Plenary meeting in November 2015 considered and adopted the Third Follow-up Report of Cote D'Ivoire, the Sixth Follow-up Report of Burkina Faso, the Seventh Follow-up Reports of Ghana, Mali and Niger and the Fourth Follow-up Report of Guinea. The Plenary could not consider the Tenth Follow-up Report of The Gambia because The Gambia did not attend the Evaluation and Compliance Group (ECG) and Plenary meetings.[49] The discussions at the Plenary and subsequent decisions were based on the Secretariat's Analysis of the Follow-up Reports of these member States and additional information provided by them relating to the progress made in implementing the recommendations in their Mutual Evaluation Reports (MERs) and the Report of the Co-chairs of the Evaluation Compliance Group (ECG).

Second, Third and Fourth Follow-Up Reports of Guinea

179. The Republic of Guinea took steps, including demonstrable political commitment, to proffer concrete solutions to the deficiencies identified in its MER. The measures taken by Guinea focused on improving the country's legal and regulatory AML/CFT framework as well as operationalization of the FIU.

180. In May 2014, Guinea promulgated Law No. L/2014/010/AN on Countering the Financing of Terrorism (CFT). The country published the law in the Official Gazette of 10 June 2015 and 25 June 2015. The law addresses some of the deficiencies identified under the FATF Special Recommendations relating to financing of terrorism. However, certain gaps still exist within the country's CFT legislative framework. In particular, the law does not criminalize the financing of an individual terrorist.

49. The Gambia submitted its Tenth Follow -up report to the Secretariat and the report was analyzed by the Secretariat.

181. GIABA's engagement with the political authorities at the highest level resulted in the issuance of Decree Nos. D/049/ PRG/SGG and D/050/PRG/SGG of April 2, 2015 which establishes the Inter-Ministerial Committee responsible for monitoring the AML/CFT regime of Guinea and mapping out the mission, organization and functioning of the FIU, in accordance with Article 23 of the AML Law.

182. The revised Customs Code published in the Official Gazette of 15 June 2015, criminalizes certain underlying offences of money laundering, particularly illicit trafficking of drugs and psychotropic substances. Guinea also issued a Decree designating the Competent Authority that will be responsible for Administrative Freezing pursuant to United Nations Security Council Resolutions 1267 and 1373 on 1 October 2015. The country has drafted a Bill on the prevention and repression of corruption and related practices and a Bill to revise the Penal Code. Guinea is at the early stages of reforming its Criminal Code in order to criminalize offences such as piracy, illicit trafficking in humans and migrant smuggling, environmental crime, insider trading and market manipulation, which constitute predicate offences to money laundering. The country is also in the process of enacting an anti-corruption law.

183. The Guinean FIU received its own budget line and secured suitable premises for its operations. The country has appointed institutional correspondents/focal points for the FIU within the Departments of Public Service.

184. The Central Bank (BCRG) has taken a decision to regulate the issuance of electronic money and Electronic Money Institutions in the Republic of Guinea. Also, based on its designation as a reporting entity, the Central Bank of Guinea has implemented AML/CFT measures in accordance with regulatory requirements. Also, the country drafted a Bill instituting the Insurance Code.

185. Guinea recorded some level of improvement in its AML/CFT system. However, the Plenary urged the country to intensify efforts to address the strategic deficiencies in its AML/CFT regime including, finalizing the draft amendment to the Criminal Code; adopting a framework for freezing, seizure and confiscation of proceeds and instrumentalities of crime in accordance with R3, criminalising outstanding predicate offences, ensuring full operationalization of the FIU; and addressing the deficiencies under R1, R5, R40, and SR.V.

186. Guinea was retained on the Enhanced Follow-Up process and directed to submit its Fifth Follow-Up Report to the Plenary in May 2016.

Second Follow Up Report of Sao Tome & Principe

187. Sao Tome and Principe took steps to strengthen its AML/CFT regime. The Central Bank of Sao Tome and Principe and the FIU conducted joint on-site inspections of commercial banks to ascertain the banks' implementation of AML/CFT measures. The inspections were conducted in accordance with Law 8/2013 on the Prevention of Money Laundering and Terrorist Financing; NAP 06/2007 on Customer Due Diligence; and NAP 20/2011 on Suspicious Transaction Reporting. The inspection teams examined internal mechanisms on AML/CFT, account opening documents and records of transactions above 245 million dobra or its equivalent to ascertain the quality and level of due diligence undertaken. The inspection reports indicate that the banks were generally complying with the AML/CFT requirements. The Central Bank recommended remedial actions to reporting entities that were found to have violated some of the AML/CFT requirements. Financial institutions in the country have prepared lists of PEPs and acquired ICT software that will facilitate the automated analysis of customer transactions.

188. Sao Tome and Principe has drafted a new Industrial Property Code aimed at criminalising piracy and counterfeiting of products, insider trading and market manipulation. The country adopted new Regulations on Customer Due Diligence, Suspicious Transactions Reporting and Justification of the Origin of Funds. The Regulations take into account the deficiencies identified in relation to Recommendations 5, 6, 7, 10, 13, 17. The country provided financial institutions with the necessary forms to enable them perform the actions required by the Regulations.

189. Sao Tome and Principe still lacks effective measures to implement the requirements of UNSCRs 1267 and 1373. The country indicated that it intends to undertake a number of actions to improve its AML/CFT system. These include enacting legislation, which will incorporate requirements on international cooperation, mutual legal assistance and extradition, awareness raising for the enforcement of the AML/CFT Law; conducting joint inspection of reporting entities to verify effective implementation of AML/CFT measures and acquiring analytical software for the FIU.

190. Sao Tome and Principe was retained on the Expedited Regular Follow-Up process and directed to submit its Third Follow-Up Report to the Plenary in May 2016.

Third Follow-up Report of Cote d'Ivoire

191. Cote d'Ivoire made some progress in its AML/CFT regime. The country enacted Law No. 2015-493 of 7 July, 2015 aimed at combating terrorism. The law, among other things, lays down proportionate and dissuasive sanctions, which apply to individuals and legal persons. The law designates the judicial police and the trial court of Abidjan to respectively investigate and adjudicate cases on terrorism. It overrides banking secrecy provisions and provides the widest range of international cooperation, including mutual legal assistance, extradition, arrest, confiscation and asset recovery.

192. Cote d'Ivoire established a Transnational Organised Crime Control Unit with the mandate to provide competent authorities with information to develop strategies and policies against illicit trafficking in drugs, human trafficking, trafficking in diamonds and endangered species, transnational organised crime and other illicit trafficking.

193. The country established a Committee for administrative freezing to implement the freezing requirements of United Nations Security Council Resolutions 1267 and 1373. Cote d'Ivoire also implemented requirements on cross-border declaration of currency and bearer negotiable instruments. The declarations were systematically forwarded to the FIU.

194. Despite the progress made, Cote d'Ivoire has not effectively implemented UNSCRs 1267 and 1373. The country has not criminalised migrant smuggling, the financing of an individual terrorist and a terrorist organisation without linking it to a specific terrorist act. There is no effective implementation of AML/CFT measures by the DNFBPs sector, as well as effective supervision of reporting entities for AML/CFT purposes.

195. The Plenary observed that the new WAEMU Uniform Law on AML/CFT is expected to address a significant number of deficiencies identified in the country's AML/CFT system, especially Recommendations 5, 6, 7, 8-11, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25. The Plenary urged Cote d'Ivoire to expedite action to domesticate the new WAEMU Uniform Law on AML/CFT, ratify the outstanding conventions and pass the anti-migrant smuggling Bill.

196. The Plenary retained Cote d'Ivoire on the Expedited Regular Follow-Up process and directed the country to submit its Fourth Follow-Up Report to the Plenary in November 2016.

Fourth Follow-Up Report of Togo

197. Togo incorporated four (04) AML/CFT-related laws into its legal framework. The country enacted the law on the repression of offenses relating to cheques, bank cards, other instruments and electronic payment processes adopted by Parliament on 6th May, 2014; the law on the Code of Transparency in the management of public finances adopted by the Parliament on 6th June, 2014; the law on handling dormant accounts held with financial institutions in UEMOA member States passed by Parliament on 12th June, 2014; and the law on the definition and repression of usury and legal interest rates in UEMOA member States which was approved by Parliament on 18th November, 2014.

198. The Togo FIU enhanced its operational capacity through the development of software for management and analysis of STRs and recruitment of four additional staff. The Togo FIU also developed two (02) guidelines for Designated Non-Financial Businesses and Professions (DNFBPs).

199. Togo is yet to adopt the Bill amending the Criminal Code which aims to criminalize offenses such as terrorism, cybercrime and insider trading; the Anti-corruption and Human Trafficking Bill submitted by the Minister of Justice to the office of Parliament by letter No.0000008/MJ/RIR/CAB/SG/SP dated 6th January, 2014; the draft Decree on the Administrative Freezing of Terrorist Assets; and a draft Order establishing the Consultative Asset Freezing Commission. These pieces of legislation will further strengthen the country's AML/CFT legal framework.

200. Togo was retained on the Expedited Regular Follow-Up process and directed to present its Fifth Follow-Up Report to the Plenary in May 2016.

Fourth Follow-Up Report of Liberia

201. Liberia took steps to address some of the deficiencies identified in its AML/CFT regime. The Central Bank of Liberia (CBL) issued the Regulation Concerning the Transfer of Foreign Currency, No. CBL/SD/16/2001 which prescribes certain measures to control the transfer of foreign currency and sets a limit on over-the-counter transfer of foreign currency. The CBL also established an AML/CFT Taskforce that will liaise with other stakeholders, including the FIU, and coordinate the implementation of AML/CFT measures in the country. Liberia has drafted regulations pertaining to cross-border transportation of currency and bearer negotiable instruments, reporting suspicious transactions and reporting currency transactions above a certain threshold. The country has also drafted regulations to implement the law on Distribution of the UN Sanctions List pursuant to UNSCRs 1267 and1373, respectively.

202. The FIU was given its own budgetary allocation by the government. Also, the FIU developed its organizational structure, recruited eleven additional staff members and developed a 3-year strategic plan.

203. Liberia has not adequately criminalized illicit trafficking in stolen and other goods, illicit arms trafficking, counterfeiting and piracy of products and the financing of an individual terrorist for any purpose as required under Special Recommendation III. Liberia also needs to establish robust procedures and mechanisms for implementing UNSCRs 1267 and 1373; ensure effective AML/CFT supervision for reporting entities; strengthen domestic cooperation; provide adequate resources, both human and financial, to the FIU in order to enhance the operational capacity of the FIU and enable the Unit to undertake its core functions; and provide adequate resources for other relevant competent authorities to permit effective implementation of relevant legislation.

205. Liberia was retained on the Expedited Regular Follow-up process and directed to submit its Fifth Follow-Up Report to the Plenary in May 2016.

Fifth Follow-Up Report of Benin

206. Benin continued to implement the recommendations outlined in its MER in order to resolve the deficiencies identified in its AML/CFT system. The National Assembly of Benin is considering a Penal Code Reform Bill, which, among other things, aims to criminalize certain outstanding predicate offenses as required under the Recommendation 1. Benin also adopted Law No. 2014-03 of 25 February, 2014, which approves accession to the Hague Convention of 29 May 1993 on the Protection of Children and Co-operation in Respect of Inter-country Adoption.

207. The FIU was given a separate budget line in the Finance Act. The FIU developed and disseminated Guidelines for the financial institutions and DNFBPs. The FIU organised validation workshops for reporting entities to facilitate the implementation of the legislative and regulatory provisions. Competent authorities also inspected some financial institutions such as insurance companies, foreign exchange bureaux, decentralized financial systems and banks, though the AML/CFT component was not thoroughly addressed during some of the inspections.

208. The national authorities of Benin are yet to approve the National Strategy and implement actions contained therein, including signing the Order appointing FIU institutional correspondents. Benin should also develop appropriate procedures to implement asset freezing and management of the frozen assets, including the appointment of a competent authority for this purpose.

209. Benin was retained on the Expedited regular follow up process and directed to submit its Sixth Follow-Up Report to the Plenary in May 2016.

Sixth Follow-Up Report of Burkina Faso

210. Inspite of Burkina Faso's socio-political challenges, the country made some progress in resolving the deficiencies identified in its AML/CFT regime. These improvements cut across legislative, regulatory and institutional issues.

211. As regards legislative measures, two Acts were passed, namely: Act No.004-2015/CNT of 3 March 2015, on the fight against corruption and its enforcement; Decree and Act No. 036 -2015/NTC 16 June 2015, instituting the Mining Code; and Decree No. 2015-885/PRES TRANS of 16 July 2015, enacting Law No. 036 -2015/CNT of 16 June 2015. These laws broaden the range of designated predicate offences and strengthen measures for identification and tracking of DNFBPs operating in the gem and precious metal sector.

212. Burkina Faso enacted Act No.50 2015/CNT of 25 August 2015 on the status of the Judiciary, and Act No.49 2015/CNT of 25th August 2015 on the organization, powers, composition and functioning of the Judiciary Council. The country also passed the March 2015 Bill on the establishment, composition, organization and functioning of the specialized Judicial Divisions in economic and financial matters.

213. On preventive measures, the country issued Circular No. 2015-038/MEF/CAB of 6 January 2015, which sets out due diligence measures for banks and financial institutions with regards to movement of funds.

214. As regards the implementation of the UNSC resolutions 1267 and 1373, Burkina Faso adopted two pieces of legislation, one of which established a competent authority for freezing of the funds and assets of designated persons, pursuant to the resolutions. However, since the establishment of the competent authority, the country has not indicated any activity conducted to ensure the effective implementation of Resolutions 1267 and 1373.

215. The FIU, the Police, Gendarmerie and Judiciary are urged to strengthen their collaboration to conduct parallel AML/CFT investigations relating to drug offences, in accordance with FATF Recommendations. Burkina Faso should ensure the effective implementation of Resolutions 1267 and 1373.

216. The revised WAEMU Uniform Law on AML/CFT is expected to resolve some of the outstanding deficiencies in the country's AML/CFT regime. Thus, the Plenary urged Burkina Faso to fast-track the process of domesticating the revised Law on AML/CFT.

217. Burkina Faso was retained on the Expedited Regular Follow-Up process and directed to present its Seventh Follow-Up Report to the Plenary in November 2016.

Seventh Follow-Up Report of Nigeria

218. Nigeria reported progress in relation to the prosecution and conviction of forty (40) members of Boko Haram for terrorism related offences and the submission of STRs relating to terrorist financing. The country froze the accounts of five individuals and entities that were suspected to be terrorist or financing terrorism in and outside Nigeria.

219. The Central Bank of Nigeria (CBN) in collaborating with the Bankers' Committee, introduced a Bank Verification Number (BVN) with biometric solution as a unique identifier for customers under its regulatory purview to strengthen CDD measures. Supervisory authorities and the NFIU conducted individual and joint on-site examinations of reporting entities to ascertain whether the reporting entities are complying with AML/CFT requirements. A number of financial institutions were sanctioned for violations of AML/CFT requirements, including failure to render returns within the stipulated timeframe, failure to file STRs, non-compliance with CBN directives on status and reporting lines of Chief Compliance Officers within specific deadlines and unusual currency transactions on the accounts of some customers. The sanctions applied include suspension of four (4) Capital Market Operators (CMOs) from participating in all Capital Market activities from May 2014 to January 2015; sealing a bank; arrest of 21 management staff of the bank; freezing of various accounts of illegal fund managers; a fine of N59, 504, 428 against CMOs; and fining of 15 Deposit Money Banks (DMBs) to the tune of N56, 000, 000. An unspecified number of DNFBPs who were "found wanting" have been recommended for sanctions.

220. Five new staff were recruited for the Monitoring and Analysis Unit of the NFIU. The new staff were trained on the Structure of the Nigerian Capital Market and the associated money laundering risks, and Tactical intelligence analysis.

221. The National Assembly of Nigeria is considering a Bill to establish the Nigerian Financial Intelligence Centre (NFIC). The Bill aims to, among other things, enhance the operational autonomy and independence of the NFIC. Also, Nigeria has re-invigorated the Inter-Ministerial Committee with the NFIU serving as the coordinating institution.

222. Nigeria demonstrated effectiveness of its AML/CFT system through the provision of statistics on inspections, suspicious transaction reporting and international cooperation. However, four major draft legislation are pending. They are the Assets Recovery Regulations; the Proceeds of Crime (non-conviction-based Civil forfeiture) Bill; the Mutual Legal Assistance Bill; and the NFIC Bill.

223. Nigeria was retained on the Expedited regular follow up process and directed to submit its Eighth Follow-Up Report to the Plenary in May 2016.

Seventh Follow-Up Report of Senegal

224. Senegal strengthened its legislative and regulatory framework through the ratification of international treaties, the adoption of the BCEAO measures on promotion of banking and financial inclusion, the adoption of the regulations relating to dormant accounts in the books of financial institutions in the

UEMOA member States, the enactment of Law No. 2014-10 of 28th February 2014 on the Customs Code, Law No. 2014-17 of 2nd April 2014 on asset declaration as well as the adoption of the Uniform Law No. 2014-12 of 28th February 2014 on litigation relating to infringement of the regulation on foreign financial relations of UEMOA member States.

225. In addition, the country issued Decree No. 2014-1212 of 22nd September 2014 which amended Decree No. 2011-04 of 6th January 2011 to establish a new Public Procurement Code and Decree No. 2015-145 of 4th February 2015 which repeals and replaces Decree No. 2010-1490 of 10th November 2010. Decree No. 2015-145 sets down detailed rules on donations to not-for profit organizations (NPOs) and prescribes controls on the origin and destination of funds of NPOs.

226. Senegal also took steps to enhance its supervisory and monitoring mechanism for DNFBPs. In addition to meetings with certain DNFBPs, the country developed guidelines for decentralized financial systems and gaming establishments. The guidelines aim to ensure that these categories of reporting entities are well sensitized on their AML/CFT obligations and roles. The guidelines also provide guidance on identifying suspicious transactions.

227. The coordination committee for the fight against money laundering and terrorist financing finalized the draft national strategy on AML/CFT together with its implementation plan for the period 2015 to 2017.

228. In 2014, one hundred and forty five (145) STRs were filed by various categories of reporting entities as follows: 124 from banks, 11 from financial administrations, 05 from decentralized financial systems, 03 from Notaries and 01 from a Chartered Accountant. The scope of reporting entities that reported suspicious transactions suggests that financial institutions and DNFBPs are largely aware of their AML/CFT obligations.

229. Senegal was retained on the Expedited Regular follow up process and directed to submit its Eighth Follow-Up Report to the Plenary in May 2016.

Seventh Follow Up Report of Ghana

230. Ghana has continued to improve its AML/CFT system. The country reported three (3) money laundering convictions and froze the funds and other assets of two (2) designated persons/entities under Section 15 of Executive Instrument 2, 2013, in accordance the UNSC resolutions. The country has thus, demonstrated definite implementation of its money laundering and countering the financing of terrorism laws and regulations.

231. The Bank of Ghana issued Agent Guidelines and the Guidelines for E-Money Issuers in the country. The Guidelines aim to regulate payment products and services that offer an alternative to traditional financial services and monitor activities of Electronic Money Issuers. Ghana introduced the Uniform Account Opening Form for the banking sector to ensure that depositors provide the necessary background information for the effective implementation of customer due diligence measures.

232. The Ghana Financial Intelligence Centre enhanced its capacity by the recruitment of additional staff.

233. The Bank of Ghana conducted AML/CFT supervision of banks and the Security Exchange Commission commenced AML/CFT supervision in the securities sector. Supervisory authorities within the financial sector also provided AML/CFT training for staff of financial institutions under their supervision. The training focused on implementing effective CDD measures and record keeping. The Bank of Ghana is working together with the other two regulators, the National Insurance Commission and the Securities Exchange Commission, to ensure compliance with the effectiveness requirements of the FATF standards.

234. The Banks and Specialized Deposit-Taking Institutions Bill is currently before the Parliament. The Bill is intended to enhance AML/CFT supervision, improve AML/CFT compliance by banks and Specialized Deposit-Taking Institutions and toughen enforcement action through an enhanced sanctions regime. Ghana is awaiting the passage of the Extradition Bill and the Real Estate (Agency) Bill. The Companies Bill is also before Parliament. The passage of these Bills will improve the country's level of technical compliance with FATF Recommendations 12, 23, 33, 39.

235. Ghana needs to take steps to enact the outstanding Bills, strengthen its terrorist financing laws, amend the laws governing the operation of casinos to ensure that criminals and their associates are prevented from holding significant or controlling interest in casinos, strengthen supervision and implementation of AML/CFT measures in the securities and insurance sectors, and further strengthen existing regulatory framework and oversight of DNFBPs.

236. The second round of the GIABA mutual evaluation on-site visit commences in the third quarter of 2016 with the on-site visit to Ghana. In preparation for the mutual evaluation, Ghana hosted the GIABA pre-assessment training for assessed countries from 28 - 30 September, 2015 in Accra.

237. In line with the decision of the 22nd Technical Commission/Plenary Meeting of 14 November 2014, which permits countries to exit the follow-up process of the first round of mutual evaluations one year before the scheduled date of the on-site visit, the Plenary formally approved Ghana's exit from the follow-up process of the first round of mutual evaluation.

Seventh Follow-Up Report of Niger

238. Niger has made considerable progress in improving its AML/CFT system. The country passed an Anti-Migrant Smuggling Act on 11 May, 2015, to prevent and combat the smuggling of migrants in all its forms. The Act promotes national and international cooperation, through bilateral and multilateral agreements and arrangements, while protecting the rights of the smuggled migrants. The law incorporates elements from the Protocol against the Smuggling of Migrants by Land, Sea and Air, supplementing the UN Convention against Transnational Organized Crime, 2000. The law applies to nationals and non-nationals, regardless of the location of the offender or where the crime occurred and prescribes appropriate sanctions against natural and legal persons, including terms of imprisonment, fines and confiscation of the proceeds of, and instrumentalities used in commission of the offence. The law also designates the tribunal and the public prosecutor to handle investigation and prosecution of the crime.

239. The FIU of Niger was admitted as a member of the Egmont Group during the meeting of the Group in Bridgetown, Barbados from 7 to 12 July, 2015 after meeting the revised membership criteria adopted at the 22nd Egmont Group Plenary held in Peru in 2014. Niger also constructed new office premises for the FIU. The property has a training hall, an archive and some offices. The country is in the process of procuring the GoAML software developed by the UNODC to enhance the operations of the FIU.

240. Niger passed Law No. 2015-02, establishing the composition, organization and powers of the specialized Judicial Divisions in economic and financial matters on 13 January, 2015. On 30 July, 2015, Judges assigned to the Courts met with the Supreme Judiciary Board under the Chairmanship of the President and Head of State. The Police have also designated a unit to investigate economic and financial crimes.

241. The Minister of Finance issued Decree n° 072/MF/FIU 5th March 2015, instituting a printed copy of the cash and negotiable bearer instrument declaration form at border posts. The FIU organized an open day to sensitize institutions concerned with the application of the form.

242. Despite the progress made by Niger, the statistics provided was limited to the FIU and did not cover a significant number of areas required by Recommendation 32. Niger was urged to ensure effective implementation of UNSCRs 1267 and 1373 and other AML/CFT measures, including supervision of all the relevant sectors and application of sanctions, where necessary. The country was also urged to ensure immediate domestication and effective implementation of the new UEMOA Uniform Law on AML/CFT to enable it attain a high level of compliance with international standards against money laundering and the financing of terrorism.

243. Niger was retained on the Expedited Regular follow-up process and directed to submit its Eighth Follow-Up Report to the Plenary in November 2016.

Seventh Follow Up Report of Mali

244. The seventh follow-up report of Mali indicated that the country was sustaining efforts to improve its AML/CFT system by implementing its National AML/CFT Strategy and other measures recommended in its MER.

245. Mali strengthened its AML/CFT legal framework by issuance of Decree No. 2015-0230/P-RM of 2 April 2015, which maps out modalities for the administrative freezing of funds and other financial assets of terrorists, terrorist financiers and terrorist organizations; Decree No. 2015-0265/P-RM of 10 April 2015, which maps out modalities for the identification of subscribers to telecommunications and ICT services open to the public; Decree No. 2015-0400/P-RM of 4 June 2015, which outlines the operating procedures of the Central Narcotics Office; Decree No. 2015-0399/P-RM of 4 June 2015, which establishes the powers, composition and operation modalities of the Inter-Ministerial Committee coordinating the fight against drugs; and the adoption of the Directive No.008-05-2105 of 21 May 2015, which governs the operation of Electronic Money Issuers in UEMOA Member States. On 26 August, 2015, the Cabinet adopted a decree outlining the rules for the enforcement of Act No. 2014-015, a decree on the organization and operating procedures of the Anti-illicit Enrichment Central Office as well as an asset declaration template. Mali has begun the process of transposing the revised UEMOA Uniform AML/CFT Act, 2015 into its national law.

246. Mali informed the ECG that fifty-one (51) money laundering cases are currently being prosecuted.

247. Some technical deficiencies relating to some core and key recommendations, specifically R5, R10 and SRIII, are yet to be addressed. The transposition of the revised WAEMU Uniform Law on AML/CFT is expected to resolve the outstanding deficiencies identified under these and other non-core and non-key recommendations. Mali did not provide a timeframe within which the Uniform law would be transposed to its domestic law.

248. Mali also indicated that some Bills were before the Parliament. The Bill amending Act No. 01-79 of 20 August 2001 on the Penal Code, adopted by the Council of Ministers on 26 August, 2015; the Bill on Child Protection, which amends and strengthens current legislation; the Bill on Cybercrime; the Bill regulating the delivery of cryptology activities which will impact positively on implementation of Recommendation 40; the draft decree establishing the organization and operating procedures of the Specialized Legal Division against Terrorism and Transnational Organized Crime; and the Bill establishing the Central Office against Illicit Enrichment, adopted by Cabinet on 26 August, 2015. Mali was urged to intensify efforts to domesticate the revised WAEMU Uniform AML/CFT law and enact these Bills.

249. Mali was retained on the Expedited Regular follow-up process and directed to submit its Eighth Follow-Up Report to the Plenary in November 2016

Eighth Seventh Follow-Up Report of Cabo Verde

250. Cabo Verde made definite progress in addressing the outstanding deficiencies in its AML/CFT regime. The country enacted several laws and issued various legislative decrees and resolutions aimed at strengthening its AML/CFT legal framework. These include Resolution 43/2014 of 2 June 2014, which approves the action Plan for the Prevention and Elimination of Child Labour; Resolution 44/2014 of 2 June 2014, which approves the Integrated National Plan on Drugs and Crime; Resolution 110/VIII/2014 and Legislative Decree 3/2014 of 29 October, 2014, which approve the legal framework for non-customs tax offences.

251. The country also enacted Law no. 61/VIII/2014 and Law no. 62/VIII/2014 of 23 April 2014. Both laws aim to strengthen the regulatory framework for financial institutions and prevent the financial system from being used for purposes of money laundering. The laws gave the Bank of Cabo Verde (BCV) greater powers to regulate commercial banks and increased the degree of sanctions the BCV can impose. The new law requires financial institutions to carry out independent periodic audit of their prudential and AML/CFT procedures, policies and controls in order to test their compliance and further report any lapses to the BCV. Also, Law 83/VIII/2015 of 16 January 2015 specifically establishes a regulatory framework for microfinance institutions operating in Cabo Verde. These three laws, together with the supervisory plan and the technical instructions developed by the Bank of Cabo Verde, pursuant to these laws, aim to ensure effective implementation of regulatory and supervisory measures within the financial system, in line with international standards.

252. Cabo Verde has prepared a draft amendment to the Anti-Money Laundering Law which addresses a number of the outstanding deficiencies identified in the country's AML/CFT system, including those related to R5, R6, R11, R16, R17, R21, R24, R31 and SRVIII. The country has also proposed amendments to the Criminal Code and Criminal Procedure Code to address the non criminalisation of human trafficking, migrant smuggling and piracy. The proposal to amend the Criminal Code was approved by the Council of Ministers on the 12th of February 2015.

253. Cabo Verde initiated action to address certain deficiencies identified in its AML/CFT system to permit admission of the Cabo Verde FIU into the Egmont Group. The Judicial Police has designated a number of Criminal Investigation Coordinators, Chief Inspectors and Inspectors to handle cases relating to money laundering and predicate offences. Some magistrates have also been assigned to work specifically on money laundering cases.

254. Cabo Verde needs to expedite action to establish adequate regulatory and supervisory AML/CFT regimes for DNFBPs; criminalize the outstanding predicate offences; and ensure effective implementation of the mechanisms established pursuant to obligations under UNSCR 1267 and 1373.

255. Cabo Verde was retained on the Expedited Regular Follow-Up process and directed to submit its Ninth Follow-Up Report to the Plenary in May 2016

Ninth Follow-Up Report of Guinea Bissau

256. Guinea Bissau published Decree Law No. 2/2014 on Freezing of Assets, Decree-Law No. 1/2014 on the Establishment of the Authority for Administrative Freezing of Terrorist Funds and a Joint Dispatch for Establishment of the Inter-Ministerial Committee to Review Decisions on Administrative Freezing under the CFT Law in the Official Gazette. These laws relate to Re-

commendation 3[50], and Special Recommendations I, II and III on freezing of assets and the appointment of members of the Inter-Ministerial Committee (IMC) to review administrative freezing. Members of the IMC comprised representatives of key AML/CFT stakeholder institutions and the committee is headed by the Minister of Finance.

257. Guinea Bissau has drafted a Bill to combat the smuggling of migrants. The follow-up report indicated that Guinea Bissau was awaiting the enactment of the draft UEMOA Law on AML/CFT and the Government's Programme to review the Penal Code and Penal Procedure Code to address the deficiencies relating to Recommendations 1, 5, 6, 7, 8, 9, 11, 12, 14, 36, 37, 38, 39 and Special Recommendation V. The Government's Programme to review the Penal Code and Penal Procedure Code is expected to conclude in 2017.

258. Guinea Bissau is yet to demonstrate effective implementation of AML/CFT measures in the country. The Plenary noted that Guinea Bissau would require not less than two years to address the outstanding deficiencies in the country's AML/CFT system. Notwithstanding, the Plenary acknowledged that the political authorities of Guinea Bissau have demonstrated commitment to address the remaining deficiencies, including domesticating the UEMOA Law as soon as the law is passed.

259. Guinea Bissau was removed from the Enhanced Follow-Up process and placed on the Expedited Regular Follow-Up process. The country was directed to submit its Tenth Follow-Up Report to the May 2016 Plenary.

Eleventh and Twelfth Follow-Up Reports of Sierra Leone

260. Sierra Leone made considerable progress in addressing the deficiencies identified in its AML/CFT regime. The country ratified the United Nations Convention against Transnational Organized Crime (Palermo Convention) and its additional protocols and deposited the instrument of ratification with the United Nations on 12th August 2014. In addition, the Parliament of Sierra Leone passed the Terrorism Prevention (Freezing of International Terrorist Funds and Other Related Measures) Regulations, 2013 to implement UNSCRs 1267 & 1373. The country substantially addressed the deficiencies under SRI, SR III and R36.

261. The AML/CFT Act 2012 provided satisfactory legal framework for financial institutions, including money and currency changing businesses, and Sierra Leone continued to strengthen AML/CFT regulation and supervision of these entities. The Bank of Sierra Leone (BSL) strengthened enforcement and regulation in respect of over-the-counter transaction in foreign currencies. The BSL also engaged in extensive dialogue with illegal "money changers" to ensure that those operating in this sector comply with AML/CFT obligations, including requiring the acquisition of licenses for their operations. This engagement started the process of bringing the activities of the money changers under some form of monitoring to ensure compliance with CDD and other obligations. The FIU conducted nine (9) on-site AML/CFT examinations of commercial banks, and the Bank of Sierra Leone also conducted on-site and off-site examinations of some banks. The country is also revising the AML/CFT guidelines to facilitate effective implementation of AML/CFT measures by financial institutions. The BSL and the FIU are strengthening the supervisory framework for banks by developing a Consolidated Bank Examination Manual, which incorporates AML/CFT supervisory methodology.

262. Sierra Leone sustained efforts aimed at enhancing the effectiveness of its FIU. The FIU increased its staff strength and is developing a website for the purpose of information sharing and awareness-raising. The Inter-Ministerial Committee of Sierra Leone and its Technical Committee are providing the necessary direction for the implementation of the FATF Recommendations in the country. The FIU, on the advice of the IMC, recently established the AML/CFT Inter-Agency In-

50. It should be noted that information on Recommendation 3 indicates that these Laws are yet to be published.

telligence Coordinating Committee to further strengthen domestic cooperation at the operational level. The country has commenced its National AML/CFT Risk Assessment.

263. Sierra Leone launched an anti-corruption strategy and initiated a reform of public financial management, both aimed at reducing corruption in the public sector. The Anti-Corruption Commission of Sierra Leone obtained judgment in the landmark case of *The State* vs *Katta and others*, in which the accused persons were convicted for the offences of illicit enrichment and failure to declare assets. The *Katta* case demonstrates improvement in the investigative processes and capabilities of LEAs in Sierra Leone.

264. Overall, the country made significant progress in implementing AML/CFT measures that are consistent with international standards. Sierra Leone has achieved relatively substantial levels of technical compliance on a significant number of the core and key FATF Recommendations, including SRI, SRII SRIII, R3, R10, R35 and R36. The Plenary urged Sierra Leone to continue to implement the broader range of AML/CFT measures including, ensuring that all reporting entities, particularly the DNFBPs and non-bank financial institutions comply with AML/CFT requirements and are monitored for this purpose. The country needs to criminalize the full range of FATF-designated predicate offences and intensify efforts to facilitate ML convictions.

265. In view of this progress, Sierra Leone was removed from the Enhanced Follow-Up process and place on the Expedited Regular Follow-Up process. The Plenary directed Sierra Leone to submit its Thirteenth Follow-Up Report to the Plenary in May 2016.

Tenth Follow-up Report of The Gambia[51]

266. The tenth follow-up report of The Gambia shows that the country has made significant progress in addressing the deficiencies identified in its AML/CFT regime. The country has commenced concrete implementation of its AML/CFT National Strategy and Action Plan, 2014-2019. The Gambia strengthened its AML/CFT supervisory regime by conducting AML/CFT examination of bank and non-bank financial institutions. The country has developed comprehensive AML/CFT Guidelines[52] for financial institutions and DNFBPs and an AML/CFT examination (onsite and offsite) manual for regulatory and supervisory authorities. The Gambia has commenced the process of ensuring effective application of the regulations for implementing UN Security Council Resolutions (UNSCRs) 1267 and 1373.

267. The Gambia provided statistics on investigations, prosecutions, convictions and on suspicious transaction reports received and analysed to demonstrate effective implementation of its laws. The Financial Intelligence Unit acquired a secured office space to conduct its operations, recruited nine additional staff members, and developed an internal operational manual and strategic plan. The Gambia improved national coordination and collaboration through regular meetings of the AML/CFT Inter-Ministerial Committee and the establishment of the Chief Compliance Officers Forum of Banks.

268. Notwithstanding the progress made by The Gambia, some deficiencies remain in the country's AML/CFT regime. These include non-criminalization of market manipulation; ineffective application of regulatory sanctions; lack of supervision of DNFBPs; and lack of comprehensive legislation and appropriate guidelines on Mutual legal Assistance (MLA). Notwithstanding the fact that the outstanding deficiencies have been incorporated into the country's AML/CFT National Strategy and Action Plan, the measures required to address the deficiencies will require diligent and conscientious implementation by The Gambia.

51 The Gambia did not attend the GIABA 24th Technical Commission/Plenary so the Plenary deferred the discussion on the Tenth Follow-Up Report of The Gambia until such a time that the country will be present to respond to the issues raised in the Secretariat's Analysis of the Report

52. These Guidelines are yet to be formally approved by relevant authorities.

269. The Plenary retained The Gambia on the Expedited Regular follow-up process, and directed the country to submit its Eleventh Follow-Up report to Plenary in November 2016.

GIABA Second Round of Mutual Evaluations/Implementation of AML/CFT Measures Commencement Date for the Second Round of Mutual Evaluation On-site Visits Rescheduled

270. The commencement of the second round of mutual evaluations was scheduled for September 2016 with the on-site visit to Nigeria. The GIABA Secretariat proposed to utilise the period between 2014 and 2015 to adequately prepare for the second round of mutual evaluations particularly as regards organizing regional assessor training programmes for officials of GIABA member States and providing the necessary assistance to member States to conduct national risk assessments. However, the outbreak of the Ebola Virus Disease (EVD) in some countries in the West African region during that period disrupted and delayed these plans. Furthermore, the UEMOA revised community text on AML/CFT, which provides the legal basis for conducting the National Risk Assessment was not adopted until the middle of the year. On this basis, the Plenary rescheduled the mutual evaluation on-site visit to Nigeria and Senegal, the two member States that were scheduled for the first and second onsite visit, to the first quarter of 2017 and brought forward that of Ghana which was originally scheduled for March 2017 to September 2016.

Assessors Training

271. In line with GIABA Secretariat's plan to utilize the period between the completion of the first round and the commencement of the second round of mutual evaluations to adequately prepare for the second round of mutual evaluations, GIABA organised a regional training programme for Assessors, in collaboration with the IMF and the World Bank, from 25 to 29 May, 2015 in Yamoussoukro, Côte d'Ivoire. This workshop was designed to ensure that there exists a crops of experts in our region, equipped with requisite skills and competencies to carry out assessment during GIABA's 2nd round of mutual evaluations, which commences in 2016. Participants at the workshop included experienced and new assessors with expertise in legal, financial and law enforcement matters from public institutions responsible for ensuring the effective implementation of AML/CFT measures in GIABA member States. The workshop furnished participants with the requisite skills to conduct proper and thorough assessments based on the revised FATF Methodology. Overall, the workshop achieved its purpose as a significant number of participants demonstrated an understanding of, and their commitment to the mutual evaluation process. GIABA intends to conduct another regional training programme for Assessors in 2016. The programme is designed to ensure the production of quality mutual evaluation reports.

Pre-assessment Training

272. During the first round of mutual evaluations, it was observed that member States typically required some technical guidance on how to complete the Mutual Evaluation Questionnaire (MEQ) and on planning the mutual evaluation process. The pre-assessment training therefore serves as a forum to acquaint national authorities of their roles in the ME process. The training is also designed to inform and sensitize national stakeholders on the significance of the mutual evaluation and ensure that countries are prepared and fully involved in the exercise. The pre-assessment training has now been incorporated in the GIABA Second Round Mutual Evaluation Process and Procedures. GIABA conducted its first Pre-assessment Training for the second round of mutual evaluations in September 2015 in Accra, Ghana.

Adoption of Directive No. 02/2015 / CM / UEMOA on Combating Money Laundering and Terrorist Financing in Member States of the West African Economic and Monetary Union

273. The May 2015 Plenary invited the West African Economic and Monetary Union (WAEMU) to strengthen its efforts towards a timely finalization of the draft AML/CFT law. The GIABA Secretariat also engaged with the WAEMU on this matter. At the November 2015 Plenary, The ECG welcomed the adoption of the Directive No. 02/2015 / CM / UEMOA on Combating Money Laundering and Terrorist Financing in Member States of the WAEMU by the WAEMU Council of Ministers on July 2, 2015. The ECG noted that WAEMU member countries are required to transpose the Act within six months and therefore, urged member States to transpose the Act without delay and put in place implementing mechanisms for effective implementation of the Act.

CHAPTER 4

TYPOLOGY AND OTHER RESEARCH STUDIES

274. Conducting typology studies is one of the major components of GIABA's mandate, which, through its research and study strategy, aims to create a pool of knowledge, promote a clear understanding of money laundering (ML) and the financing of terrorism (FT), and to contribute to global research efforts on these phenomena.

275. The results of these studies provide important information for AML/CFT strategic planning and policy-making issues.

276. In 2015, several studies and research were launched, the draft reports of which have been submitted to the Working Group on Risks, Trends and Methods (WGRTM). These include:
- *The study of the vulnerabilities of Designated Non-Financial Businesses and Professions (DNFBP) to money laundering, terrorist financing and the adequacy of control measures in West Africa;*
- *The study on money laundering related to fraud in public procurement in West Africa: the Nigeria case;*
- *The study on money laundering related to electronic counterfeiting and intellectual property infringement (IPI) in West Africa;*
- *The draft study on money laundering related to the counterfeiting of pharmaceutical products in West Africa;*
- *The ML/FT National Risk Assessment (NRA);*
- *The FATF/GIABA/GABAC joint study on the financing of terrorism in West and Central Africa.*

a) The study of the vulnerabilities of Designated Non-Financial Businesses and Professions (DNFBP) to money laundering, terrorist financing and the adequacy of control measures in West Africa

277. The study focused on the following main areas of interest: (i) evaluation of existing regulations in the DNFBP sector; (ii) understanding of the mechanisms and conduct of their activities; (iii) assessing the seriousness of the threats they pose.

278. The ensuing draft report, following all stages of monitoring, was approved by the RTMG.

279. The study's findings have made it clear that, despite the dominance of the DNFBP sector in economic and financial transactions in West Africa, their rules, including regulations, remain weak in comparison with the required standards. The RTMG recommended, therefore, that States intensify their efforts in this area to bring their legislation in line with international standards and best practices.

b) The study on money laundering related to fraud in public procurement in West Africa: the Nigeria case

280. The draft report adopted by the RTMG revealed that public procurement fraud, although not limited to a particular country, is carried out mainly through the techniques of subtraction of goods or services, embezzlement of funds, bribing, splitting of offers and price-fixing mechanisms.

c) The typologies on money laundering related to electronic counterfeiting and intellectual property infringement (IPI) in West Africa

281. A typology workshop on money laundering related to electronic counterfeiting and intellectual property infringement (IPI) in West Africa was organized in Senegal in October 2015 with the aim of validating the results of experts in the search for relevant cases illustrating the methods, techniques and trends.

282. The report highlighted the manifestations of the phenomenon, its magnitude, the consistency of its characteristics, the absence of national statistical data, the profile of counterfeiters, and the importance of related financial flows. On the other hand, the results of the study did not allow the experts to establish a direct link between counterfeiting and money laundering. Moreover, they show that the sanction of the violation was generally administrative rather than judicial, and that the rules on electronic counterfeit, infringement of intellectual property were either non-existent or inadequate. This limits the number of convictions in this area.

d) The typologies report on money laundering related to the counterfeiting of pharmaceutical products in West Africa;

283. The study looks into the following issues: (i) the state of affairs of money laundering related to the counterfeiting of pharmaceutical products; (ii) definition of key concepts; (iii) country mapping of the phenomenon, (iv) the listing of products subject to counterfeiting; and (v) control strategy. In view of the relevance of the topic, the project was validated by the Plenary.

e) The ML/FT National Risk Assessment (NRA);

284. Following the revision of the FATF methodology, the Secretariat has included in its strategy the NRA as a mandatory requirement for member States. To meet this requirement, Ghana, Nigeria and Sierra Leone have begun this process by identifying challenges related to data collection and analysis. At the end of the exchanges on NRAs, countries were invited to use the tools devised for this purpose by the World Bank and the IMF.

285. Given the complexity of the process, its successful implementation requires strong stakeholder involvement, good national coordination and compliance with confidentiality requirements.

f) The FATF / GIABA/GABAC joint typology on terrorist financing in West and Central Africa.

286. Due to an increase in terrorist acts in West and Central Africa, Spain proposed updating the 2013 FATF/GIABA study on terrorist financing in West Africa, extending it to Central Africa. The project team, consisting of FATF, GIABA and GABAC, developed the main framework of the study.

287. The aim is to update the last typologies study in order to better assess the vulnerability of States, the socio-economic impact of the phenomenon, new trends, techniques and methods, geostrategic distribution, operating mode of terrorist groups and the financing sources of terrorism in these regions.

288. Building on these studies, the Secretariat has begun to draft its new 2016-2020 Strategic Plan, the implementation of which will enable it to respond to new challenges.

CHAPTER 5

TECHNICAL ASSISTANCE AND TRAINING

289. In 2015, GIABA continued to provide technical assistance to Member States in order to strengthen their control systems and improve the stakeholders' capacity in AML/CFT issues. This Technical Assistance (TA) covers a wide range of areas, including policy development, training, capacity building, mentoring, study tours, support for membership to the Egmont Group, equipment and other advisory services. These areas have been targeted to address the strategic gaps identified in the mutual evaluation of Member States, as well as in the monitoring process and other key areas.

290. As a general rule, TA requests from Member States increased significantly during the year due to the revision of the FATF standards and methodology. Preparations for the second round of mutual evaluations also accounts for this increase. The requests included national risk assessment, review of national strategies, improvement of legislation, provision of computer equipment, study tours, mentoring, support for membership to the Egmont Group, training on the implementation of relevant United Nations Security Council (UNSC) resolutions, investigations, financial prosecutions, AML/CFT supervision, strategic analysis by the FIUs, the fight against terrorist financing, and other specific national priorities.

291. In order to respond effectively to these increasingly diverse technical assistance needs, GIABA has put in place a TA mechanism that focuses on key areas with measurable impacts. GIABA has also strengthened its collaboration with development partners through its technical assistance coordination platform.

292. The implementation of TA by GIABA has led to a significant improvement in the AML/CFT regime in the Member States. The majority of identified policy failures in the mutual evaluation and follow-up reports of States have been substantially addressed. One FIU became a member of the Egmont Group, the volume and quality of the information disseminated by the FIU increased, subsequent ML/TF prosecutions and convictions, and asset recoveries also increased, while a number of States are at various stages of their national risk assessment process.

293. The support of development partners has made a significant contribution to the improvement of national AML/CFT mechanisms. Overall, TA has provided States with greater capacities, enabling them to gradually adress the remaining deficiencies.

294. The main areas of technical assistance provided by GIABA to Member States in 2015 are summarized as follows:

a) Deployment of STR analysis software in the FIUs

295. The installation of the STR analysis software continued in 2015 in Guinea and Guinea-Bissau. The completion of the first phase of the project's implementation, scheduled for 2015, has been hampered by many factors, including lack of preliminary fieldwork, insufficient user training, and especially the incompatibility of the software with the countries environment. The lack of an immediate response to these constraints eventually led most of the beneficiary FIUs to abandon this STR processing and operating system. In order to

find the appropriate solutions to maximize its utilization for a more efficient operation, the Secretariat has continued to work with the relevant authorities in the countries to finalize its deployment.

296. In order to ensure optimal and sustainable use of the software, the Secretariat will continue in concert with the suppliers to assist the FIUs in correcting the identified shortcomings and conducting an overall assessment of the project with a view to drawing useful lessons for the future.

297. In the context of accountability to the Community, the Secretariat is convinced that the legal framework for technical assistance needs to be strengthened for greater transparency and efficiency.

b) Study and experience exchange programs

298. In order to improve the FIUs operational capacities and effectiveness, the Secretariat continued to fund regional and international study programs. Thus, the study tours of staff from Benin and Cote d'Ivoire FIUs to France and Monaco were funded.

299. These programs to strengthen cooperation and TA have had a positive impact on the performance of FIUs beneficiary. They have also enabled networking of experts from the host FIUs with those of the beneficiary FIUs and as well as stimulating information exchange.

c) Membership to the Egmont Group

300. Recommendation 29 of the FATF and its interpretative note urge each country establishing an FIU to apply for membership to the Egmont Group. In order to support Member States in responding appropriately to this recommendation, FIU capacity building has been established as a priority component of the Secretariat's Strategic and Action Plans.

301. In line with this priority objective, the Secretariat continued its training and capacity-building activities in 2016 for the staff of FIUs which were not yet members of the Group, with a view to facilitating their membership. Thus, the FIU of Niger was admitted in June 2015 and that of Cabo Verde is in the final stages of membership procedures. The membership of Niger has brought to eight (8) the number of GIABA States as members of this Group. The status of Egmont Group member should help the eight countries strengthen their framework for international cooperation and deepen their understanding of issues at stake and the need for them to combat these crimes effectively. Under this aspect of international cooperation, it should be stressed that GIABA is working closely with the authorities of Nigeria towards its membership in the FATF.

d) Financial Intelligence Units (FIU) Forum

302. The 6th and 7th meetings of the FIU Forum were held on 20 May and 4 November 2015 in Yamoussoukro, Cote d'Ivoire and Saly Portudal, Senegal, respectively.

303. At the 6th meeting, the discussions focused on the activity report of the Forum Chair, the establishment of an ad hoc working group, the election of the new Chair of the Forum, Membership of States to the Egmont Group. The 7th meeting adopted the report of the 6th meeting, that on the West and Central Africa Focal Point information meeting, and provided an update on annual contributions.

304. The meeting of the Forum ended with the new initiative introduced by the Secretariat at the 7th meeting, namely the training session for participants on some important AML/CFT issues. Presentations were made on the role of FIUs and national correspondents in conducting the second round of mutual evaluations.

305. Some of the tangible outcomes of the two meetings of the Forum include: the election of Cabo Verde's FIU Director as Chairperson of the Forum for 2015/2016, the signing of the Forum Charter, the establishment of

the Working Group on Risks, Trends and Methods, and the Legal Experts Working Group, and advocacy for increased financial support to FIUs.

e) Forum on Technical Assistance

306. The meetings of the Technical Assistance Forum were held on 20 May and 4 November 2015 in Yamoussoukro, Côte d'Ivoire and Saly, Senegal, respectively. In addition to the representatives of Member States and the Secretariat, these meetings were also attended by development partners and observers.

307. Discussions focused on updating, harmonizing and coordinating the schedule for providing technical assistance to States by GIABA and technical and financial partners. At these meetings, delegates recommended: (i) strengthening coordination among technical assistance providers; (ii) increased provision of training of trainers and national programs; (iii) increased support to States by Secretariat in the framework of NRA and mutual evaluations; (iv) establishing mechanisms to promote ownership by States of logical frameworks for technical assistance.

f) Capacity Building Programs

308. In 2015, GIABA, in collaboration with its technical partners, organized training workshops to strengthen the capacity of States to implement their AML/CFT mechanisms. The programs implemented in 2015 concerned:

The national training workshop on investigative techniques, money laundering and other financial crimes, Guinea-Bissau, 17 to 20 March 2015.

309. The workshop was held in Bissau, Guinea-Bissau, from 17 to 20 March 2015. It brought together 30 participants from the State Police, Customs, Revenue, Treasury, Ministry of The Interior, the FIU and the judicial services, including one (01) magistrate and five prosecutors from Guinea-Bissau.

310. The objectives of the workshop were: to train investigators on the concepts of money laundering and terrorist financing; to enable investigating and prosecuting officers to take ownership of new techniques of financial investigation.

The Regional AML / CFT Capacity Building Workshop for Judges, Prosecutors and Investigators; Lome, Togo, March 23-26, 2015.

311. GIABA, in collaboration with the African Development Bank (ADB), organized the regional capacity-building workshop on economic crimes and financial for judges, prosecutors and investigators in Lomé, Togo, from 23 to 26 March 2015.

312. The workshop illustrated the need for, and the necessity to strengthen coordination and collaboration among key actors in the fight for effective implementation of the revised standards and methodology of the Financial Action Task Force (FATF) focused on achieving technical compliance and efficiency. The workshop also identified barriers to the proper conduct of investigations and prosecutions, as well as to the enforcement of sanctions for money laundering and terrorist financing violations in the region.

The National Training Workshop on Investigation Techniques for Money Laundering and Other Financial Crime, Cotonou, Benin, 8-10 April 2015.

313. The workshop was held in Cotonou, Benin, from 8 to 10 April, 2015 and brought together 29 investigators including: the Police, Gendarmerie, Customs, the National Anti-Corruption Authority, the Central Office for the Suppression of Illicit Drug Trafficking (OCERTID), the Revenue, the Treasury, the FIU and the Judiciary. Its objectives were to train investigators on the concepts of money laundering, terrorist financing; to improve their capabilities for processing STRs and to provide the participants with new financial investigation techniques.



314. In assessing the outcome of the workshop, the participants recommended that this initiative be intensified and that the scope of training modules be expanded. Similarly, it was recommended to produce a Manual of AML/CFT Procedures and also training modules for police, gendarmerie, magistrate and customs.

Regional training on revised FATF methodology for assessors, Yamoussoukro, Cote d'Ivoire, 22-29 May 2015.

315. In 2016, GIABA will begin its second round of mutual evaluations. In view of the good conduct of this process, the Secretariat, in collaboration with the IMF and the World Bank, organized a training for local assessors from 25 to 29 May 2015 in Yamoussoukro, Côte d'Ivoire.

316. The purpose of the training was to ensure that local experts had the necessary skills to enable the Secretariat undertake the second round of mutual evaluations in 2016. The training modules provided by the trainers aimed to strengthen the capacity of GIABA regional experts to: (i) better understand the forty (40) Recommendations and the new FATF methodology; (ii) take ownership of the process, procedures, rating criteria, on-site interviewing techniques and the drafting of the Mutual Evaluation Report. As a result of the training, the participants had a better understanding of the recommendations, increased knowledge of the evaluation process. They gained a better grasp of the new methodology's mechanisms, procedures and rules based on technical compliance and efficiency. Overall, the workshop enabled the creation of a regional pool of expert assessors.

The Regional Workshop on Strengthening AML / CFT Supervision; Praia, Cabo Verde, 5-7 October 2015

317. According to FATF Recommendation 26, financial institutions must be adequately monitored and supervised in AML/CFT matters. In particular, financial supervisors should take appropriate legislative or regulatory measures to prevent criminals or their accomplices from abusing financial institutions. In addition, Recommendation 27 calls on countries to hold supervisors accountable and to strengthen their capacities for monitoring and ensuring compliance of financial institutions with prescribed standards.

318. Contrary to the provisions of these Recommendations, the results of the first round of mutual evaluations, as well as those of the follow-up reports of the States reveal that the supervisory authorities still face problems of insufficient qualified staff to ensure effective oversight of the financial institutions. In order to remove this barrier, the regulatory and supervisory authorities need to increase their technical capacities for identifying weaknesses of AML/CFT mechanisms, irregularities, shortcomings of declaring entities with a view to finding the best solutions and particularly preventive measures. In order to meet these training needs of the supervisory authorities, GIABA organized this workshop in Praia, Cabo Verde from 5 to 7 October 2015.

319. The training provided an opportunity for deeper understanding of the concepts; assessing the relevance of the new methodology focused on efficiency; strengthening the knowledge of regulators and supervisors; establishing a group of Experts capable of assessing compliance of AML/CFT mechanisms with the revised standards and the new methodology.

320. In order to sustain the achievements of the training, the experts made the following recommendations:
- ✓Adoption and implementation of supervision programs to promote compliance of financial institutions and improve the integrity and stability of the financial system;
- ✓Implementation of appropriate measures to understand the profile of each sector with a view to applying a risk-based approach to monitoring;
- ✓Strengthening cooperation between all actors;
- ✓Enforcing effective, proportionate and dissuasive sanctions (criminal, civil or administrative) in accordance with international standards for defaulting entities;
- ✓Promoting the implementation of AML/CFT so as to encourage financial inclusion;
- ✓Repetition of the training and increasing the beneficiaries' cohorts.

National workshop on AML/CFT strategy; Bissau, Guinea-Bissau, 25-28 August 2015.

321. One of the priority objectives of GIABA is the adoption of national AML/CFT strategies by Member States. Thus, in order to provide the Member States with operational and effective tools, the Secretariat organized, from 25 to 28 August 2015 in Guinea Bissau, a national workshop for 30 participants devoted to the development of AML/CFT strategy based on the new methodology.

322. The workshop identified stakeholders in the national AML/CFT strategy, defined the role and tasks of each and the process for elaborating the implementation and monitoring plan.

Dialogue of Financial Sector Managers in WAEMU Member States; Abidjan, Côte d'Ivoire, 22 September 2015.

323. Recommendation 2 of the FATF calls for national cooperation and coordination among competent authorities, including regulators and other stakeholders, to effectively combat money laundering and terrorist financing. In response to this call, the Secretariat organized a meeting on 22 September 2015 in Abidjan, Côte d'Ivoire, between the heads of enterprises of the financial sector of WAEMU.



Participants at the Regional Workshop on Capacity Building for AML/CFT Supervisors, Praia, Cabo Verde, from 5 to 7 October, 2015

324. The main objective of this meeting between regulatory authorities and the declaring entities within the Community were to improve cooperation through the exchange of reliable information and to establish mechanisms for good practice agreed by the declaring entities to facilitate the effective implementation of the above-mentioned recommendations.

325. In the run-up to the second round of mutual evaluations, a day of dialogue resulted in:
   (i) Better clarification and understanding for declaring entities of their AML/CFT obligations;
   (ii) A common definition of the conditions and mechanisms for synergy of stakeholders' action;
   (iii) Improved legal framework for greater compliance with FATF standards;
   (iv) Define common criteria and areas for strengthening cooperation and coordination;
   (v) Sustainining a day of dialogue, in order to maintain and stimulate a professional platform between regulators, supervisors and financial institutions;
   (vi) Urging WAEMU Member States to mainstream Community Directive 2/2015/CM on terrorist financing activities as soon as possible.

Pre-evaluation training workshop in Accra, Ghana, from 28 to 30 September 2015

326. As part of the development of its stakeholder training strategy in the Mutual Evaluation process, the Secretariat organized a pre-evaluation training workshop in Accra, Republic of Ghana, from 28 to 30 September 2015. The purpose was to enable participants to better understand their roles in this process and to take appropriate follow-up measures in preparing the country for this exercise.

327. While stressing the importance of the process and the need for the country to plan adequately the on-site visit in September 2016, the workshop allowed the Secretariat to provide technical assistance for completing the questionnaire on technical compliance and to clarify the processes and procedures for the second round of mutual evaluation. In response to the express request of the French-speaking and Portuguese-speaking

countries, another regional workshop on the same topic and the conditions for implementing UN Security Council Resolution 1373 (2001) on asset recovery was organized in Lomé, Togo, from 13 to 15 October 2015.

328. The workshop, which was attended by 28 participants from WAEMU countries and representatives of the WAEMU Commission in charge of AML/CFT regulation and supervision, was particularly concerned with: (i) sensitizing Member States on recent developments in AML/CFT, including the review of legal and operational tools; (ii) promoting better understanding of the new international standards framework related to terrorism, its financing and the freezing of assets of terrorists; (iii) considering and seeking the best means to finalize WAEMU arrangements for the effective implementation of UNSC Resolutions 1267 and 1373.

329. With regard to the financing of terrorism and the proliferation of weapons of mass destruction, the workshop recommended: (i) regular updating of the list of items used in the manufacture of weapons of mass destruction (WMD); (ii) sensitizing AML/CFT stakeholders for more effective border control of dual-use items; (iii) the establishment in each ECOWAS Member State of a formal framework for exchanging operational information among all AML/CFT actors; (iv) establishment of regulatory and supervisory bodies to facilitate the control and supervision of DNFBPs; and (v) the establishment of a legislative and regulatory framework for national committees in charge of administrative asset freezing.

Regional Workshop on Risk Assessment of Money Laundering and Terrorist Financing for Financial Institutions, 1-4 December 2015, Abuja, Nigeria

330. The new FATF standards, in particular Recommendation 1, require countries and financial institutions to identify, assess and understand the risks of money laundering and terrorist financing (ML/TF) and, based on this assessment, to apply a risk-based approach (RBA) in order to ensure that ML/TF prevention or mitigation measures are proportionate to the identified risks.

331. In order to assist States in building capacity in the area of ML/TF risk assessment, GIABA organized a regional workshop on risk assessment of money laundering and terrorist financing for financial institutions, from 1 to 4 December 2015, in Abuja, Nigeria.

332. The main objectives were to: (i) develop a common understanding of the concept and methodology of ML/TF risk assessment; (ii) strengthen the capacity of financial institutions in conducting comprehensive risk assessment; (iii) develop an appropriate risk assessment methodology; (iv) produce a practical guide for conducting the risk assessment in the financial sector; and (v) agree on the next steps of the process in the various sub-sectors of the country's economic activity.

333. The workshop, which brought together 105 participants from the stakeholder chain and from different institutions in the ECOWAS countries, served as a platform to create the Regional Compliance Officers Forum and to share AML/CFT experiences.

334. In order to strengthen regional expertise and cooperation, the experts recommended that financial institutions:

(i) step up the implementation of AML/CFT measures with a view to improving the integrity and stability of the financial system, and support efforts to intensify the fight;

(ii) undertake a comprehensive ML/TF risk assessment to better understand the risks and apply a risk-based approach (RBA) when implementing AML/CFT activities;

(iii) promote financial inclusion in the overall strategy for implementing AML/CFT measures;

(iv) provide enough operational autonomy to compliance officers and allocate adequate resources to them for the proper functioning of their service;

(v) revitalize sectoral AML/CFT coordination and collaboration through the development of appropriate and inclusive mechanisms facilitating cooperation with the relevant regulatory authorities and to share experiences.

335. GIABA, in its part, should assist in the elaboration of a model regional risk assessment directive to facilitate the implementation of this important FATF Recommendation by the financial institutions in the region.



TABLE 5.1 GIABA contributions to capacity building in Member States.

NUMBER OF PARTICIPANTS/ BENEFICIARIES BY MEMBER STATE: 2011-2015

S/N	Member State	YEAR					TOTAL
		Benin	2012	2013	2014	2015	
1	Benin	39	34	63	12	56	204
2	Burkina Faso	63	45	58	16	30	212
3	Cabo Verde	20	29	32	7	31	119
4	Côte d'Ivoire	61	128	35	42	226	492
5	The Gambia	38	50	92	28	15	223
6	Ghana	278	191	511	32	113	1125
7	Guinea	25	166	16	7	28	242
8	Guinea Bissau	100	18	230	10	53	411
9	Liberia	28	124	49	56	42	299
10	Mali	56	29	25	77	43	230
11	Niger	38	141	22	79	33	313
12	Nigeria	353	1021	1049	131	217	2771
13	Sao Tome & Principe		45	10	9	9	73
14	Senegal	223	116	73	62	47	521
15	Sierra Leone	97	19	273	8	27	424
16	Togo	52	44	27	16	42	181
17	Other Institutions	135	210	251	108	153	857
TOTAL		**1606**	**2410**	**2816**	**700**	**1165**	**8697**

Diagram 5.1 Participants / Beneficiairies by Member State: 2011-2015

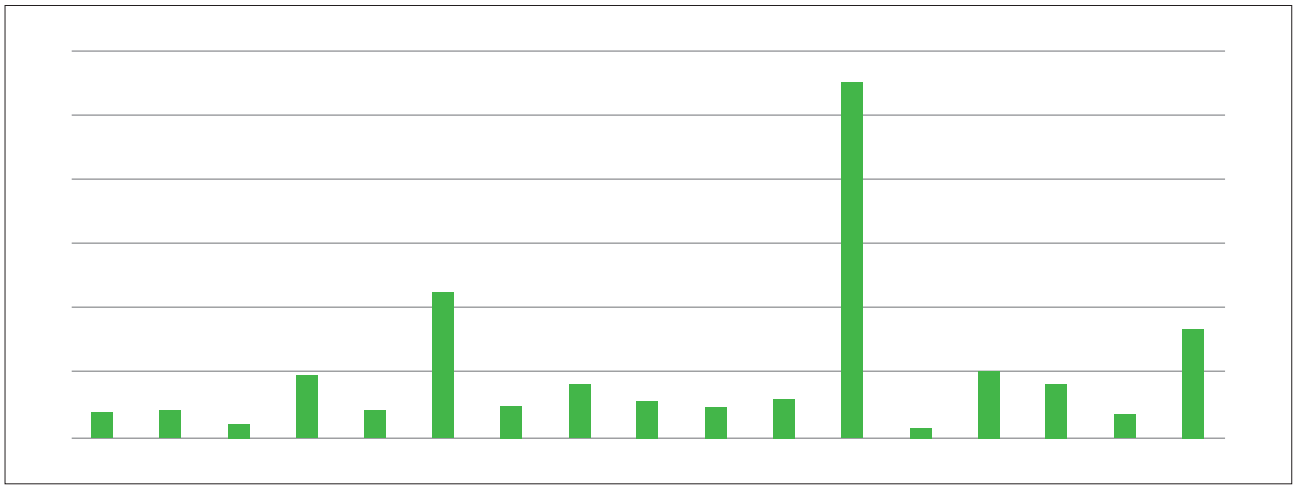


TABLE 5.2a Table 5.2a Types of programs: 2011-2015

Member State	TYPE OF PROGRAMS BY MEMBER STATE AND YEAR											
	2011		2012		2013		2014		2015			
	National	Regional	National	Regional	National	Regional	National	Regional	National	Regional		
Benin	0	1	1	1	1	3	0	0	1	0	3	5
Burkina Faso	1	0	1	1	1	0	0	0	0	0	3	1
Cabo Verde	1	1	1	2	1	0	0	0	0	1	3	4
Côte d'Ivoire	3	0	3	3	0	0	0	1	1	5	7	9
The Gambia	1	1	2	1	0	1	0	0	0	0	3	3
Ghana	5	2	4	2	1	5	0	0	1	0	11	9
Guinea	1	0	7	1	0	0	0	0	0	0	8	1
Guinea-Bissau	5	0	0	0	2	0	0	0	1	0	8	0
Liberia	0	1	6	1	0	0	2	0	0	0	8	2
Mali	2	1	0	0	0	0	2	0	0	0	4	1
Niger	0	1	3	1	0	0	1	2	0	0	4	4

Etat membre	TYPE OF PROGRAMS BY MEMBER STATE AND YEAR											
	2011		2012		2013		2014		2015			
	National	Regional	National	Regional	National	Regional	National	Regional	National	Regional		
Nigeria	10	1	4	3	5	2	1	0	2	2	22	8
Sao Tome & Principe	2	0	1	0	0	0	0	0	0	0	3	0
Senegal	4	8	1	10	2	4	1	3	0	4	8	29
Sierra Leone	3	0	0	1	3	0	0	0	0	0	6	1
Togo	1	2	0	1	0	0	0	0	0	2	1	5
Total	**39**	**19**	**34**	**28**	**16**	**15**	**7**	**6**	**6**	**14**	**102**	**82**

TABLE 5.2b Type of Programs

Year	TYPE OF PROGRAM : 2011-2015	
	National	Regional
2011	39	19
2012	34	28
2013C	16	15
2014	7	6
2015	6	14

DIAGRAM 5.2 Type of programs : 2011-2015

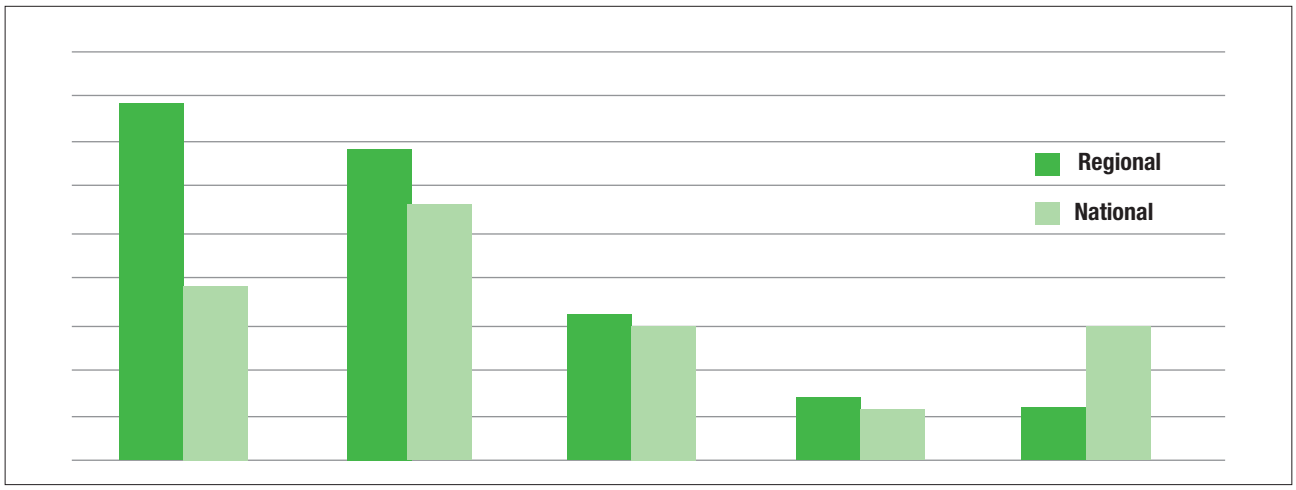


TABLE 5.3 Participation by sector

PARTICIPATION BY SECTOR : 2011-2015

S/N	SECTOR	YEAR					TOTAL
		2011	2012	2013	2014	2015	
1	Regulatory Authority & FIU	426	452	447	292	554	**2171**
2	Banking Sector/Financial Institutions	196	233	255	35	58	**777**
3	Other Financial Institutions (DNFBPs)	168	148	276	22	31	**645**
4	Ministries (Economy, Security, Justice)	200	656	190	92	171	**1309**
5	Judiciairy	163	211	61	3	69	**507**
6	Law enforcement	117	139	106	153	90	**605**
7	Other (Civil Society, Media etc.)	336	571	1481	103	192	**2683**
Total		**1606**	**2410**	**2816**	**700**	**1,165**	**8697**

DIAGRAM 5.3 Participation by sector : 2011-2015

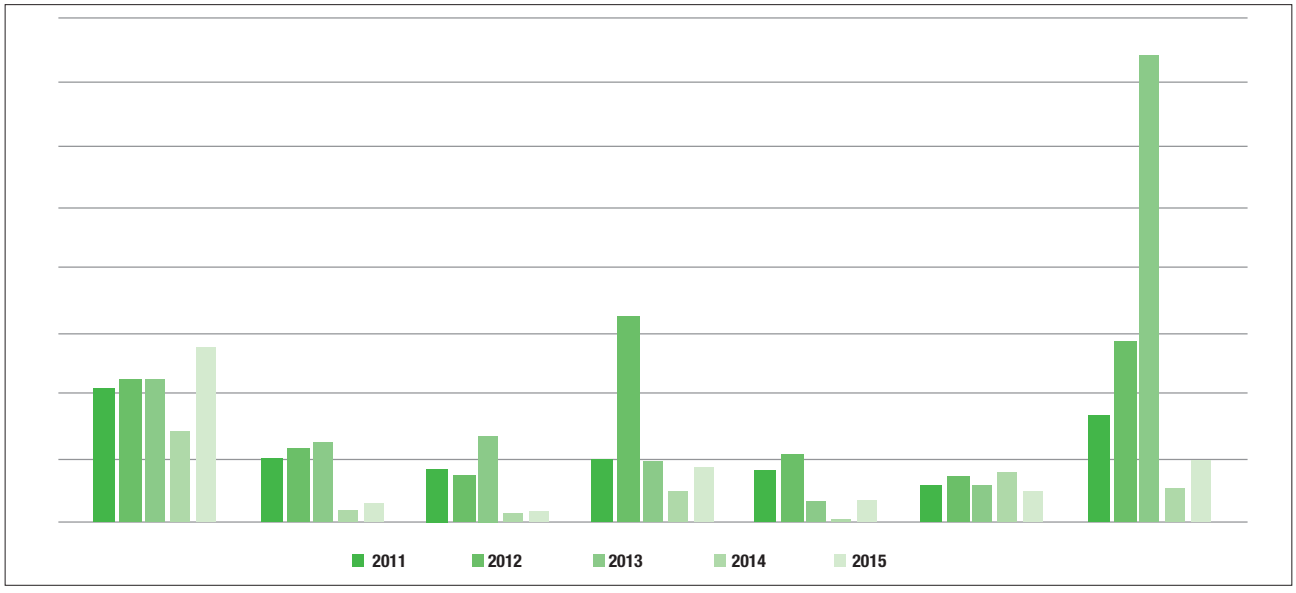
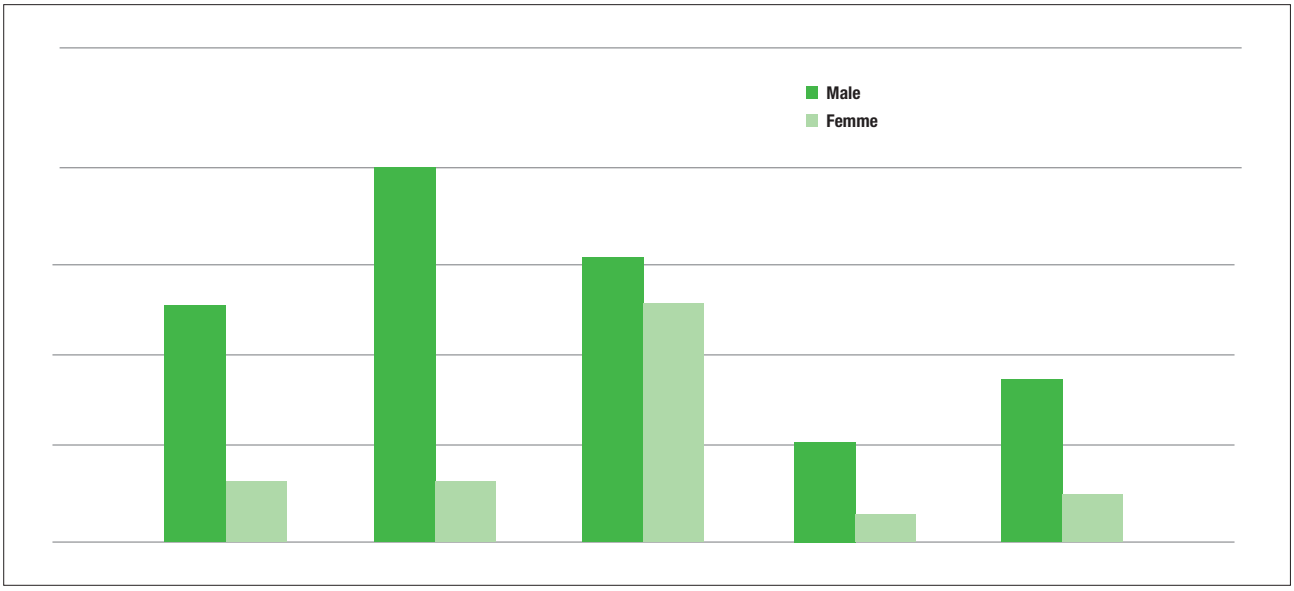


TABLEAU 5.4 Participation by gender

PARTICIPATION BY GENDER							
S/N	GENDER	YEAR					TOTAL
		2011	2012	2013	2014	2015	
1	Male	1273	2017	1532	539	894	**6255**
2	Female	336	571	1481	103	192	**2683**
TOTAL		**1606**	**2410**	**2816**	**700**	**1165**	**8697**

DIAGRAM 5.4 Participation by gender : 2011-2015



Challenges to technical assistance implementation

336. The provision of adequate technical assistance to Member States is one of the pillars of GIABA's mandate. It was mainly through its technical assistance that, based on regular follow-up reports, the States were able to gradually establish AML/CFT institutional, legislative and regulatory frameworks in line with FATF's 40 recommendations and other standards in this area.

337. However, the assessment of more than fifteen years of GIABA's involvement with Member States in this area clearly highlights important weaknesses that need to be adressed in order to fully achieve in the short term the technical objectives assigned. This is the pre-condition for meeting both GIABA's expectations as well as those of its beneficiary members.

338. The main shortcomings identified in the provision of technical assistance can be summarized as follows: (i) inadequate funding due to insufficient Community Levy (CL) resources; (ii) low absorption capacity of some Member States; (iii) lack of skilled and competent staff in the specific area of AML/CFT; (iv) mobility in administrations and among the trained manpower; (v) weak respondsiveness of some Member States in expressing their assistance needs; (vi) weakness in the coordination and planning of regional and international technical assistance.

339. To address these shortcomings, GIABA has implemented a targeted technical assistance and training system, focusing on critical areas with the greatest positive impact on actions deployed towards addressing gaps identified in the mutual evaluation reports. GIABA, for better planning and programming of technical assistance, also strengthened its framework of collaboration and cooperation with the technical and financial partners by setting up the Technical Assistance Forum. This platform has not only increased technical assistance initiatives and their effectiveness for the benefit of Member States but also diversified them.

340. It is against this backdrop that several bilateral and multilateral programs and projects have been implemented or are under way, either to consolidate the legal and operational AML/CFT frameworks in the States, as well as the capacities and effectiveness of AML/CFT stakeholders. Considering the new challenges related essentially to the security and stability of the States and requiring better compliance of the AML/CFT mechanisms, GIABA Secretariat is convinced that it will need to expand and further develop its regional and international cooperation framework, and also to step up its technical assistance. This has been, since 2014, the main objective of the new management, through advocacy activities in the Member States.

CHAPTER 6

ADVOCACY AND CIVIL SOCIETY AWARENESS

341. In 2015, GIABA continued and expanded its advocacy activities for the benefit of State authorities as well as that of specific layers of the populations, including religious leaders, press organizations, youth and civil society organizations.

342. The new leadership's will, to give prominence to advocacy and sensitization activities was also reflected in the effective opening of the GIABA Information Center in Abidjan, Côte d'Ivoire on 21 September 2015. After that of Lagos, which has been operational since 2011 and dedicated to the English-speaking countries of ECOWAS, the Abidjan Information Center covers the French-speaking and Portuguese-speaking countries of the Community. It is recalled that the creation of information centers responds to the desire expressed by the Heads of State and Government to see GIABA maximize the potential of the Media to better implement sensitization and training programs. These centers also contribute to increasing visibility of GIABA's actions in the Member States and act as a link between the GIABA Secretariat, Member States and stakeholders with a view to strengthening the regional and international alliance against ML/TF.

343. As a result, the outreach activities carried out by the information centers in the countries were buttresed by stronger and more active advocacy by the Directorate General to improve GIABA's image and achieve more decisive stakeholders' by-in and support.

I - High-level advocacy missions

344. Thus, as part of the high-level advocacy missions carried out by the Directorate General, the following will be noted:

a) Mission conducted by the Director General of GIABA to the President of the Republic of Guinea Bissau from 02 to 05 March 2015

345. During this high-level advocacy mission to Guinea-Bissau, the GIABA delegation was honored with an audience with His Excellency Mario VAZ, President of the Republic of Guinea-Bissau, during which the Director General expressed the congratulations and encouragement from the GIABA Community to the President on his election to the Presidency of the Republic. The DG also welcomed the new impetus that the authorities of Guinea Bissau had given to the fight against financial crime and to the process of strengthening good governance with the adoption of strong sanctions against some high-level officials.

346. The deficiencies in the AML/CFT regime of Guinea Bissau have been brought to the attention of the President of the Republic, as well as the progress that will be needed to improve the country's AML/CFT regime compliance. The President undertook, with his Government, to do everything possible to achieve this objective. Following the audience with the President, a working session was held with the three (3) GIABA line ministers,

the Interministerial Committee and other AML/CFT stakeholders in Guinea Bissau. The session highlighted and identified as a priority for the Inter-Ministerial Committee the need for dynamic cooperation between all AML/CFT stakeholders to achieve more visible results.

b) Mission conducted by the Director General of GIABA to the Prime Minister of Togo, on 25 March 2015.

347. During this mission, the Head of Government of Togo was briefed on the performance of the Togolese AML/CFT system, the remaining gaps and the need for the authorities to engage reforms to achieve more significant results.

348. The Director General took the opportunity to discuss with the Prime Minister issues of day-to-day management of the Togo FIU, in particular those related to increasing budget resources allocated to the FIU as well as to strengthening the staff and administrative stability of its statutory members. The Prime Minister reassured the Director General of the continued commitment and support of Togo's high authorities to GIABA, in the interest of Togo and ECOWAS. He immediately instructed his cabinet to ensure prompt resolution of the FIU's operational issues.

c) Mission conducted by the Director General of GIABA to the new authorities of Nigeria, from 2 to 3 December 2015 in Abuja, Nigeria.

349. The objective of this high-level advocacy mission was to sensitize the new authorities of the Federal Republic of Nigeria on the challenges of combating money laundering and terrorist financing, to present GIABA mandate and activities, and to mobilize them around an overall strategy for preparing the country towards the Second Round of Mutual Evaluations, as well as to support the country's candidacy for FATF membership.

350. During the mission, the Honorable Minister of the Interior, General Dr. Abdulrahaman Danbazau (retired), the Acting Chairman of the Economic and Financial Crimes Commission (EFCC), Alhaji Ibrahim Magu, and the Deputy Governor of the Central Bank of Nigeria (CBN) in charge of financial system stability Dr. JO Nnanna, were met. They all reaffirmed their support to GIABA and committed to continuously improve the AML/CFT regime in Nigeria with a view to becoming a full member of the FATF by 2020.

II - Civil Society Awareness and Mobilization Activities

a) National AML/CFT awareness seminar for journalists, held on 16 March 2015 in Lagos, Nigeria.

351. Twenty-four (24) journalists participated in the seminar. The main objective was to enable them to take ownership of AML/CFT investigation techniques and to gain a better understanding of the mandate and role of GIABA, and finally to set up a network of dedicated journalists.

b) National sensitization workshop for top media managers on AML/CFT, held on 18 March 2015 in Lagos, Nigeria.

352. The workshop, which was attended by 21 publishers, was aimed at sensitizing media publishers on the harmful effects of Money Laundering and Terrorist Financing; and mobilizing the media in the fight against these scourges. Four topics were adressed:

- The mandate and role of GIABA as a regional body to fight against ML/TF;
- The adverse effects of money laundering and terrorist financing on the economic and political stability of Member States;
- The contribution of press publishers in the fight against ML/TF;
- Methodology and techniques for investigating money laundering and terrorist financing (ML/TF).

c) Regional sensitization seminar for Civil Society Organizations (CSOs) on their role in AML/CFT, held in Lagos, Nigeria from 24 to 26 August 2015.

353. This event was attended by 50 leaders from civil society organizations (CSOs) in the region, active in the fight against corruption, and promoting good governance and policy advocacy.

354. On the occasion of the workshop, the Director General of GIABA stressed the need for all ECOWAS Member States to unite in the fight against money laundering and the financing of terrorism, in the face of security challenges facing the West African region, and which require appropriate and dissuasive responses.

355. The topics covered were the role of GIABA as a regional initiative, ML/TF trends in the region, ML/TF threats to peace and security in the region, ML/TF on sustainable development and their impact on youth employment, etc.

356. At the end of the workshop, the participants:
- Seized the opportunity offered by GIABA to improve their level of understanding of AML/CFT issues and the sustained commitment to the fight against ML/TF, emphasizing that the workshop had contributed to the development of credible legal frameworks throughout the region;
- Stressed the need to actively involve all stakeholders in the fight against ML/TF in the development of strategies to protect the economies of ECOWAS Member States from exploitation through laundering of criminal proceeds;
- Called for partnership with civil society and the private sector, recognizing the crucial role they can play in the fight against ML/TF;
- Called on civil society organizations to be more involved in AML/CFT.

d) Opening of the GIABA Information Center in Abidjan (ICA.A), on 21 September 2015

357. On 21 September 2015, the second GIABA Information Center was opened in Abidjan, Côte d'Ivoire. It should be recalled that the opening of this Center follows the approval of the memorandum on the establishment of GIABA Information Centers by the 66th Ordinary Session of the ECOWAS Council of Ministers, held on 26 November 2010 in Abuja, Nigeria. Thus, on 29 March 2014, GIABA, drawing from the conclusions of the 44th Summit of Heads of State and Government of ECOWAS held in Yamoussoukro, Côte d'Ivoire, signed a headquarters agreement with Côte d'Ivoire as a prelude to the opening of the GIABA Information Center in Abidjan.

358. The center, which is dedicated to francophone and lusophone member countries, is a response to the expressed desire of the Heads of State to see GIABA maximize the potential of the media towards meeting AML/CFT challenges. It will contribute to greater visibility of GIABA's actions in the Member States and serve as a link between the GIABA Secretariat, the States and other stakeholders.

e) Capacity building workshop for the regional compliance officers of GT Bank, held on 19 August 2015 in Lagos, Nigeria.

359. Compliance officers of the GT Bank in Nigeria, Liberia, Sierra Leone and Kenya were trained by GIABA on 19 August 2015 in Lagos, Nigeria.

360. The training was aimed at increasing the knowledge of 40 compliance officers of this Bank and its African subsidiaries in AML/CFT by strengthening their understanding of the FATF recommendations, particularly as concern knowing your customer (KYC), or customer due diligence (CDD) requirement through a risk-based approach enabling them to better combat ML/TF.



Ivoirian Authorities and Officials of GIABA at the Opening of the Abidjan Information Centre, 21 September, 2015

361. The immediate results of the training include:
- Increased awareness of AML/CFT among the actors;
- Better understanding of the importance of strict compliance with customer due diligence procedures; and
- Increased knowledge on the link between money laundering and terrorist financing.

f) Workshop on combating violence, organized by the United Nations Information Center and the Warien Rose Foundation, on 29 July 2015, Lagos, Nigeria.

362. GIABA, through its Lagos Information Center, participated in the joint workshop between the United Nations Information Center (UNIC) and the Warien Rose Foundation. GIABA presented the main speech of the program, establishing a «Link between domestic violence, human trafficking and money laundering». Fifty (50) participants benefited from this training.

g) Celebration of the International Women's Day established by the United Nations on 08 March 2015 in Lagos, Nigeria by the West Africa Women's Association (WAWA).

363. The event brought together ninety (90) women from different women associations. GIABA took advantage of this opportunity to sensitize women on the negative consequences of ML/TF and urged them to be at the forefront of the struggle.

h) Organization of the 20th anniversary of Data Pro Limited, 12 November 2015, in Lagos, Nigeria

364. Data Pro is a compliance and training company that has provided AML/CFT training for a wide range of stakeholders in West Africa. The event, which brought together 125 stakeholders, was aimed at increasing the awareness of bank compliance officers of the complex requirements of international AML/CFT standards. It was also aimed at strengthening the commitment of all participants to effective implementation of standards, and promoting partnership between AML/CFT stakeholders.

365. GIABA explained its mandate in the region and called for a continuing effort to educate and build the capacities of stakeholders.

i) Meeting of the Committee of Bank Compliance Officers in Nigeria (CCCOBIN) in Lagos, Nigeria.

366. During 2015, GIABA participated in the meetings of the Committee of Chief Compliance Officers of Banks in Nigeria (CCCOBIN). Participants include, bank compliance officers, criminal law enforcement agencies, the Central Bank of Nigeria, the Financial Intelligence Unit (FIU), the Nigerian Stock Exchange, the Nigerian Insurance and Deposits Commission, and GIABA.

367. The committee provides a platform for meeting and sharing information on AML/CFT. It also strengthens networking among AML/CFT professionals. The apex of the Committee's activities in 2015 was the International Conference on Compliance.

j) Production and dissemination of information and awareness materials

368. In 2015, GIABA strengthened the capacities of information centers, enabling them to increase awareness and training of AML/CFT stakeholders, and thus increase the visibility of their activities in the Member States as well as the results achieved. To this end, the centers have produced several brochures and information materials which have been disseminated among the stakeholders.

369. More specifically, the following information materials have been developed and widely disseminated to target audiences:

- Press releases: To announce specific events, inform and sensitize stakeholders on the implementation of the different programs and the results achieved.
- Press review and short news, intended to inform the head office on daily ML/TF development in the region and beyond.
- Advertising materials were designed, produced and widely disseminated to vulnerable groups such as youth, women, students and politically exposed persons (PEPs). Support materials such as caps, T-shirts, conference bags, table clocks, pens, note pads, among others, were disseminated, featuring the GIABA logo, name and messages for sensitization purposes and making GIABA achievements more visible.
- Quarterly newsletters, through which GIABA informs stakeholders and the general public on the activities.

- Social media accounts: GIABA, in 2013, opened accounts on social media to reach a wider audience. Initially, two accounts were opened on Facebook and Twitter with the name of the organization, in each of the official languages. These accounts have been effective tools for engaging the public on AML/CFT issues. In 2016, GIABA will explore several other communication platforms to reach wider audiences through social media.

370. Overall, considering the new challenges linked with the National Risk Assessment and the implementation of the Second Round of Mutual Evaluations starting in 2016 and the inherent requirements for technical compliance and efficiency, enhanced advocacy missions through sensitization and training programs for stakeholders and, above all, front-line AML/CFT actors, should play a prominent role in the activities of the new 2016-2020 Strategic Plan designed to help Members prepare for the second round of peer review.



The Deputy Director General, Mr. Brian A. Sapati (to the right) and Mr. Khadim Diop, Minister of African Integration, NEPAD and Promotion of Good Governance during the Cutting of the Ribbon, Marking the Celebration of the 40th Anniversary of ECOWAS, in Dakar, Senegal, from 5 to 9 may 2015.

CHAPTER 7

REGIONAL INTEGRATION, INTERNATIONAL COOPERATION AND PARTNERSHIP

371. Efforts to stem money laundering and the financing of terrorism require concerted action and sustained dynamic international cooperation.

372. As part of its statutory meetings, GIABA, together with the technical and financial partners, set up the Technical Assistance Forum, which is a platform for information and ownership of technical assistance programs provided by technical and financial partners.

373. The meeting of this forum is held twice a year in the framework of the Technical Commission's program. In addition to the sessions of the forum, the Secretariat organized joint activities through partnerships with regional and international development institutions and organizations.

374. The activities carried out to strengthen and revitalize international cooperation are summarized as follows:

b) Statutory meetings

375. GIABA organized the 23rd and 24th plenary meetings of its Technical Commission in May and November 2015 to discuss the progress made by Member States in the establishment of their AML/CFT systems. Similarly, the process, procedures and timetable for the 2nd round of mutual evaluations were adopted during the statutory meetings. Relevant recommendations were made following the adoption of the follow-up reports to further improve results.

376. In 2015, the adopted research and typology reports were also published. The 14th and 15th sessions of the GIABA Ministerial Committee were also organized in May and November 2015 to endorse the decisions of the 23rd and 24th plenary sessions. The details and results of these plenary meetings as well as those of the 14th and 15th meetings of the GMC are summarized below.

c) 23rd Plenary Meeting of the Technical Commission held from 18 to 22 May 2015 in Yamoussoukro, Cote d'Ivoire.

377. The 23rd Plenary Meeting of the GIABA Technical Commission was held from 18 to 22 May 2015 at the Hotel le Président, Yamoussoukro, Côte d'Ivoire. It was preceded by meetings of the Working Group on Evaluation and Compliance (GEC), the GIABA Working Group on Risks, Trends and Methods (WGRTM), and the Forum of Directors of Financial Intelligence Units (FIU) in West Africa and the Technical Assistance Forum.

378. The Plenary endorsed the recommendations of the Working Group on Evaluation and Compliance, calling on Member States to take stronger measures in order to strengthen their AML/CFT systems. The follow-up reports from Guinea, Sao Tome and Principe, Togo, Liberia, Benin, Nigeria, Senegal, Cabo Verde, Guinea Bissau and Sierra Leone were adopted. These countries have been maintained in the regular monitoring process and will have to submit their next follow-up reports in May 2016. Guinea was maintained

on the enhanced monitoring process and will have to submit its next follow-up report to the November 2015 plenary.

379. Following the reports submitted by the Secretariat to the Plenary for deliberation, the 23rd Plenary Meeting of the GIABA Technical Commission adopted the following: (i) the summary of activities presented by the Director General; (ii) the status of the three GIABA Member States most affected by the Ebola virus disease (EVD); (iii) the postponement to the first quarter of 2017 of the take-off of the second round of mutual evaluations, initially planned for the third quarter of 2016 commencing with Ghana, Nigeria and Senegal; (iv) the on-site visit to Guinea Bissau, which resulted in the suspension of the public statement on the country; (v) the report of the co-chairs of the Working Group on Evaluation and Compliance (GEC) and that of the co-chairs of the Working Group on Risks, Trends and Methods (WGRTM); (vi) the on-site visit of the Secretariat to the Union of the Comoros; (vii) the conclusions of the 23rd Plenary Meeting of the GIABA Technical Commission; and (viii) the presentation of the Inter-Agency Asset Recovery Network for West Africa (ARIN-WA).

380. A report was submitted on activities conducted and those planned, including the preparation of the strategic plan of the Financial Intelligence Units Forum.



Participants at the 23rd GIABA Technical Commission and Plenary Meeting from 18 to 22 May 2015 at Yamoussoukro, Cote d'Ivoire.

d) Technical Assistance Forum with Development Partners

381. The Forum of Technical Assistance with Development Partners brought together the GIABA Secretariat, Member States, technical and financial partners and observers. Discussions generally focused on better coordination and streamlining of Technical Assistance based on updated statistical information on the needs of Member States for effective implementation of the GIABA/EU and GIABA/ADB projects.

e) 14th Meeting of the GIABA Ministerial Committee

382. Following the 23rd Plenary Meeting of the Technical Commission in Yamoussoukro, Côte d'Ivoire, the 14th meeting of the GIABA Ministerial Committee (GMC) was held on Saturday, May 23, 2015 at the Hotel Le Président (Yamoussoukro).

383. The meeting, chaired by the Minister of Finance of the Republic of Ghana, the Honorable Mr. Seth TERKPER, approved the revised schedule of the second round of mutual evaluations due to start with Ghana during the third quarter of 2016. It also adopted the Director General's report and the reports of the 22nd and 23rd plenary meetings of the Technical Commission. During the GMC meeting, GIABA gave a presentation on its strategic framework, which highlighted the main orientations of the next Strategic Plan 2016-2020. It was thus approved by the Ministerial Committee.

384. The Ministers unanimously commended the Secretariat for the results achieved and urged it to sustain the momentum.

385. The Director General thanked the Committee for the effective presence of its members and for its commitment to support the GIABA Secretariat in the expression of its needs at the next ordinary session of the ECOWAS Ministers Council. He gave assurances of the Secretariat's determination to combat ML/TF in the region through increased operations and continued provision of technical assistance to Member States. It should be noted that the opening ceremony of the GMC meeting was chaired by His Excellency, Daniel Kablan DUNCAN, Prime Minister of Côte d'Ivoire.



Participants at the 14th GIABA Ministerial Committee Meeting on 23th May 2015 at Yamoussoukro, Cote d'Ivoire.

f) 24th Plenary Meeting of the Technical Commission, from 2 to 6 November 2015, in Dakar, Senegal.

386. The 24th Plenary Meeting of the Technical Commission (TC) was held from 2 to 6 November 2015 at the Hôtel Rhino à Saly, Senegal. The Plenary was preceded by meetings of the Evaluation and Compliance Group (ECG), the Risks, Trends and Methods Group (RTMG), the Forum of Heads of Financial Intelligence Units (FIU) in West Africa and the Technical Assistance Forum with the technical and financial partners. These meetings took place from 2 to 4 November 2015. The Gambia did not attend.

387. Following the preliminary meetings and deliberations on the reports of the Secretariat, the plenary considered and adopted the reports of the 24th Plenary of the GIABA Technical Commission, highlights of which are as follows:

i. Adoption of the follow-up reports of Côte d'Ivoire, Burkina Faso, Ghana, Mali, Niger and Guinea and the summary report of the Director General. In the absence of delegates of the country, the Gambia follow-up report was not examined. The GIABA draft Strategic Plan 2016-2020 was presented with a view to collecting feedback from the Member States before its adoption;
ii. Adoption of the report of the co-chairs of the Evaluation and Compliance Group (ECG);
iii. Adoption of the exit process from the GIABA Member States from the Follow-up Program of the 1st round of mutual evaluations;
iv. Adoption of the report of the co-chairs of the Risks, Trends and Methods Group (RTMG);
v. Adoption of the report of the 24th plenary meeting of the GIABA Technical Commission.

g) Technical Assistance Forum with Development Partners

388. The Technical Assistance Forum brought together the GIABA Secretariat, Member States and technical and financial partners as well as observers. Discussions focused on updates of support to GIABA Member States by technical and financial partners and on regional coordination in the provision of technical assistance. The apex of the meeting was the announcement of the signing of the EU-GIABA grant agreement on 28 October 2015. Delegates reaffirmed their renewed commitment to implement activities under this financing agreement.

h) 15th Meeting of the GIABA Ministerial Committee, 7 November 2015, Saly, Senegal.

389. The 15th Meeting of the GIABA Ministerial Committee, 7 November 2015, Saly, Senegal.

390. The 15th Meeting of the GIABA Ministerial Committee (GMC) was held on Saturday 7 November 2015 at the Hôtel Rhino, Saly, Senegal.

391. The meeting, chaired by the His Excellency Mr. Amadou BA, Minister of Economy, Finance and Planning of the Republic of Senegal, considered and adopted the reports and recommendations presented by the GIABA Secretariat and the Commission Technical, namely:

i. Report of the 14th GIABA Ministerial Committee;
ii. Recommendation on sustained GIABA funding through Community Levy resources;
iii. Summary report by the Director General on activities of the report period;
iv. Memorandum on the 2016-2020 GIABA Strategic Plan as supplemented with the contributions;

v. Conclusions of the 24th Plenary Meeting of the Technical Commission;
vi. Formal application for membership of the Union of the Comoros to GIABA;
vii. Conclusions of the 15th meeting of the GIABA Ministerial Committee.

392. The Ministers reiterated their continued support to GIABA for its unrelenting efforts in the fight against money laundering and the financing of terrorism. They encouraged the Secretariat to continue the momentum. The Ministers undertook to assure the ECOWAS Council of Ministers that the GIABA Secretariat receives the necessary budget allocations for its operation as well as implementation of its programs on behalf of the Member States.

i) Meetings on Regional and International Cooperation

393. Within the framework of regional and international cooperation, GIABA organized and participated in several activities, including:

• *Meeting of the Anti-Money Laundering Committee of the Franc Zone (CLAB) (12 February 2015 in Moroni, Union of the Comoros).*

394. GIABA participated in the meeting of the Anti-Money Laundering Committee of the Franc Zone, held in Moroni (Union of the Comoros) on 12 February 2015. The meeting was attended by BCEAO, WAEMU, BEAC, the Central Bank of the Comoros and the West Africa Banking Commission. Its objective was to prepare the topical report on the status of the fight against money laundering and the financing of terrorism in the Franc Zone.

395. At the meeting, experts provided updates on AML/CFT systems in WAEMU, CEMAC, Union of the Comoros and France. The meeting particularly called on members to provide statistics in the context of collaboration and information sharing, while continuing support to the Action Group against Money Laundering in Central Africa (GABAC) to become an associate member of the Financial Action Group (FATF).



The Director General of GIABA, Mr. Adama Coulibaly and Ministers of GIABA member States at the 15th GMC meeting on 7 November 2015, Dakar, Senegal.



The Deputy Director General, Mr. Brian A. Sapati and the Ambassadors of accredited member States during their meeting at the GIABA Headquarter, 18 November 2015, Dakar, Senegal.

396. At that meeting, GIABA keenly noted that the Union of the Comoros had fullfilled its commitments to the East and Southern Africa Anti-Money Laundering Action Group (ESAAMLAG) by updating its contributions for the country to properly engage its GIABA membership process.

• *Statutory meetings of the FATF from 21 to 27 February 2015, in Paris, France.*

397. A statutory meeting of the FATF was held in Paris, France, from 21 to 27 February 2015. The meeting focused on emerging global AML/CFT issues, including those concerning Member States mutual evaluation and issues relating to new risks, trends and methods, as well as better understanding and ownership of the 40 FATF recommendations.

398. In reviewing the process and procedures for the second round of Mutual Evaluations, the Plenary concluded that these were consistent with international frameworks for AML/CFT assessments. The meeting also considered and adopted a report on the financing of the terrorist organization Islamic State in Iraq and the Levant (ISIL).

399. The French Minister of Finance and Public Accounts, Michel Sapin, delivered a communication on the plenary's topic. He stressed the need for the creation of a global counter-terrorism front. He also encouraged the FATF global network to continue developing initiatives.

400. The FATF and the FSRBs agreed to undertake further actions to ensure that all members implement measures to freeze and confiscate the funds of terrorists or terrorist groups, with a view to draining their financial flows, not only by laying down laws and regulations to block the financing of terrorists, but also by ensuring that such measures are effectively implemented and functioning properly.

- *Workshop on seizure, confiscation and management of the criminal proceeds, Dakar, Senegal, from 2 to 5 March 2015.*

401. GIABA participated in a workshop organized jointly by the United States Department of Justice's Office of Prosecution, Development, Assistance and Foreign Training (DOJ/OPDAT) and the United Nations Office on Drugs and Crime (UNODC).

402. The main objective of the workshop, held in Dakar, Senegal, from 2 to 5 March 2015, was to develop the capacity of legal practitioners and financial investigators in the field of judicial cooperation, confiscation and management of criminal assets, through the sharing of experiences by the United States. The workshop was also intended to popularize and develop the recently launched initiative to establish the Inter-Agency Asset Recovery Network for West Africa (ARIN-WA).

403. At the end of the workshop, participants made several recommendations, including: (i) establishing an administrative mechanism for the freezing and confiscation of criminal assets. As such, the principle of confiscation of criminal assets without prior judicial conviction should be retained; (ii) the creation of an agency specifically dedicated to the management of recovered assets; (iii) the introduction of civil forfeiture to focus primarily on cases of deceased and out-of-country criminals; (iv) establishment of a platform for the integration of databases of different agencies to facilitate information sharing and research; (v) continuing discussions for the establishment of a better structured agency with focal points at national level (the French model: Agency for the Management and Recovery of Seized and Confiscated Assets «AGRASC» could serve as a source of inspiration.

404. It was suggested that GIABA should take over from the new structure (ARIN-WA) in member countries and support it because of its recent creation, as was done with the FIU Forum. In this regard, GIABA could begin to advocate with the authorities of Member States to appoint their focal points.

- *Meeting of the Organization for Economic Cooperation and Development (OECD) on «Illicit financial flows through trade in West Africa», on 13 March 2015, in Paris, France.*

405. GIABA participated in the meeting organized by the Development Cooperation Department of the Organization for Economic Cooperation and Development (OECD) on 13 March 2015 in Paris, France, on the topic «Illicit financial flows through trade in West Africa».

406. GIABA's contribution to this meeting, as a partner, was to ensure that the report of the study on the topic was in line with the reality of West Africa. The objective of the study was to provide a better understanding of illicit financial flows in the region and the explanatory factors for: (i) corruption, (ii) drug trafficking, (iii) trafficking in human beings (iv) arms trafficking and (v) armed robbery.

407. The disastrous effects of illicit funds on peace, security and good governance in the region have been highlighted.

- *Conference of the ECOWAS Court of Justice on «Human Rights as Core Values of ECOWAS: An analysis of the jurisprudence of the Community Court of Justice», (Guinea-Bissau, 23 March 2015).*

408. With a view to contributing to the consolidation of regional cooperation in the ECOWAS region, GIABA participated in a conference organized by the ECOWAS Court of Justice on «Human Rights as core values of ECOWAS : An Analysis of the Jurisprudence of the Community Court of Justice «(Guinea-Bissau, 23 March 2015).

409. The objective of the conference was to reflect on the jurisprudence of the ECOWAS Court of Justice in terms of respect for human rights.

410. Several technical documents relating to the role, status and mandate of the Court of Justice in promoting regional integration, adjudication of human rights cases and the processes of referral to the Court of Justice were submitted on the occasion.

- *Private Sector Consultative Forum organized by the FATF Secretariat, from 25 to 27 March 2015, in Brussels, Belgium.*

411. In its collaboration with the private sector, the FATF organized a Consultative Forum in Brussels, Belgium, from 26 to 27 March 2015. The meeting was attended by one hundred and sixty (160) delegates, including six (06) FATF staff, eighteen (18) FATF Member States, one (1) FATF observer, two (2) associate organizations, five (5) FATF observer institutions and organizations and ninety (90) other guests from the private sector and civil society.

412. Discussions focused on the major challenges in the implementation of some of the FATF Recommendations by the private sector and on ways and means to improve standards and best practices on: (i) terrorist financing, risk mitigation using the National Risk Assessment (NRA); (ii) current innovations in the financial services sector.

413. The FATF also had discussions with delegates of virtual money services providers to develop a guide on the risk-based approach for virtual currency. Discussions also focused on emergence technology and business innovation, through the provision of financial services using electronic payments and other forms of payments via the Internet, as well as on all practices impacting financial inclusion and the management of AML/CFT by financial institutions.

- *Meeting of the Anti-Money Laundering Liaison Committee (CLAB) and the Finance Ministers of the Franc Zone from April 9 to 10, 2015, in Bamako, Mali.*

414. The Anti-Laundering Liaison Committee (CLAB) of the Franc Zone organized its annual meeting in Bamako, Mali, from 9 to 10 April 2015.

415. The overall objective of the meeting attended by GIABA was to take stock of AML/CFT activities in member countries and discuss economic and financial convergence systems with a view to making relevant recommendations to Member States.

416. GIABA presented a paper on the evolution of legislation and regulation in the AML/CFT regimes of its Member States. GIABA also reported on the activities of the FIUs, seven of which are now members of the Egmont group. It also gave an update on its research and typology activities. The meeting was briefed on the development of cooperation with both GABAC and the FATF.

417. The meeting encouraged GIABA to forge ahead with its AML/CFT programme. It also recommended that:
   i. Greater efforts be made for GABAC to be given the status of FATF style regional body (FSRB);
   ii. The review of the AML/CFT legislative and regulatory framework in WAEMU be finalized to allow member countries effectively participate in the second round of mutual evaluations starting in the first quarter of 2016;
   iii. Solutions be brought to the recurring financing problems of Financial Intelligence Units (FIUs);
   iv. The issue of arreas of membership dues of the Union of the Comoros to the ESAAMLAG should be promptly resolved so that the country's membership process to GIABA be completed;
   v. The scope of AML/CFT regimes be expanded to include a larger number of reporting entities;
   vi. A structure for exchange and cooperation between banking supervisory authorities, FIUs and regional groups be created in order to improve the effectiveness of mechanisms.

- *Meeting of the WAPCO Technical Subcommittee on Training and Operations (15-16 April 2015, Niamey, Niger)*

418. GIABA participated in the meeting of the Technical Subcommittee of the West African Chiefs of Police Organization (WAPCO) held in Niamey, Niger, from 15 to 16 April 2015. GIABA's contribution focused on its role in AML/CFT, the role of law enforcement agencies and of the ECOWAS Commission treaty on small arms and light weapons.

419. The results included the adoption by the meeting of a model for developing information on crime that would make data usable by all countries. Thus, the conduct of joint operations by Chiefs of Police should incorporate the predicate offenses of money laundering. The meeting recommended that:
   i. Member States consolidate the enforcement of their laws on the 22 predicate offenses of ML designated by the FATF under the 40 Recommendations as International Standards;
   ii. Member States improve the training of their law enforcement officials on money laundering;
   iii. GIABA formalizes its working relationship with the ECOWAS Committee on Political Affairs, Peace and Security to explore all areas of cooperation and opportunities for regional capacity-building on fighting against financial crimes;
   iv. GIABA should work closely with the Permanent Secretariat of WAPCO to conduct an AML/CFT training needs assessment for the police and other enforcement structures in the region. This will facilitate the planning and delivery of technical assistance;
   v. GIABA should formalize its partnership with the Interpol Sub-regional Office, based in Abidjan, to provide coordinated technical assistance to the police and other law enforcement agencies in the region.

- *Meeting of the ECOWAS Monitoring and Evaluation Coordination Committee, Abuja, Nigeria, 20-21 April 2015*

420. GIABA participated in the inaugural workshop of the ECOWAS Monitoring and Evaluation Coordination Committee in Abuja, Nigeria, from 20 to 21 April 2015.

421. The main objectives of the meeting were to: (i) inform the Committee on the progress of the ongoing assessment of the 2011-2015 Regional Strategic Plan and the development of the Community Strategic Framework (CSC); (ii) to develop a guide for assessing future strategic plans, as agreed at the last meeting of the Strategic Planning Coordination Committee (SPCC); and (iii) to draft the Terms of Reference (TOR) of the Community Strategic Monitoring and Evaluation Framework.

422. The participants were briefed on: (i) the deadline for the development of the next Community strategic framework; (ii) the status and current process of evaluating the regional strategic plan (2011-2015); (iii) the adoption of the current monitoring and evaluation tools of the ECOWAS Commission, particularly the monitoring and evaluation manual and the draft result-based monitoring and evaluation guide.

423. With regard to the Guide for the Evaluation of Future Strategic Plans, the workshop made the following recommendations: (i) the final evaluation report should contribute to the preparation of the strategic plans; (ii) the guide should define the objectives of the mid-term and final evaluation; (iii) it should also specify the responsibilities of each actor in the initiation and implementation of any evaluation exercise, including the procurement and communication stages.

- *Joint GIABA / GCCS / CTED Regional Workshop on Preventing Abusive Exploitation by Terrorists of Non-profit Organizations (NPOs), June 1-3, 2015, Dakar, Senegal*

424. GIABA, in collaboration with the Global Center for Cooperative Security (GCCS) and the Executive Committee for the Fight against Terrorism (CTED), organized a regional seminar on the prevention of terrorist threats in non-profit organizations, 1-3 June 2015, in Dakar.

425. The objectives of the Seminar were: (i) to raise public awareness on standards and procedures for the control and supervision of non-profit organizations; (ii) identify weaknesses in their regulatory frameworks; (iii) consider interinstitutional cooperation among operators, regulators and law enforcement agencies to strengthen supervision and enforcement.

426. The Seminar noted that:

i. Non-profit organizations may be exploited by terrorist groups, depending on the nature of their activities;
ii. Non-profit organizations need very robust governance to prevent the risk of TF;
iii. There is need for stronger coordination between the regulatory structures of the NPO sector and the financial sector regulators;
iv. There is need to support States in addressing issues of inadequate legislation, low awareness due to virtually absent regulatory authorities, and lack of cooperation of national and international agencies.

427. Participants recommended that: (i) national authorities conduct comprehensive surveys of non-profit organizations to better understand their functioning and to identify the nature of TF risks facing the sector; (ii) countries increase awareness among NPOs on TF issues and risks related to the sector; (iii) regulatory authorities apply a risk-based approach to TF; (iv) national authorities should foster cooperation and coordination with NPOs, regulators and competent authorities in the control, monitoring and regulation of the sector.

• *Egmont Group Plenary, 7-12 June 2015, Bridgetown, Barbados*

428. The 23rd Plenary Meeting of the Egmont Group was held from 7 to 12 June 2015 in Bridgetown. As part of this plenary, specialized training was organized on various themes, including: (i) financing of terrorism; (ii) operation of the Egmont Group's information system; (iii) data collection and analysis in a multilateral context; (iv) new electronic means of payment and risks of terrorist financing.

429. The major decision of the meeting was the admission of the Republic of Niger as a member of the Egmont Group. This new membership brought to seven (7) the number of GIABA member states admitted to the Group. A certificate of recognition and merit was awarded at this meeting to GIABA for its technical and logistical support to the Group.

• *FATF Statutory Meetings June 24-26, 2015, Brisbane, Australia*

430. A FATF plenary meeting was held from 24 to 26 June 2015 in Brisbane, Australia. It examined Malaysia's Mutual Evaluation Report, the financing of terrorism and the National Risk Assessment.

431. FATF expressed its support for a proposal by the Republic of Korea to establish an AML/CFT Training and Research Institute in Korea (TREIN), to assist the mutual evaluation process. It will function, in cooperation with other training and research centers of the FATF network, as a hub for the development of expertise.

• *International Conference on the Fight against Violent Extremism and Radicalization, 22 and 23 July 2015, Algiers, Algeria*

432. This International Conference, in which GIABA took part in Algiers from 22 to 23 July 2015, is sequel to the Summit on Combating Violent Extremism held in Washington, DC, on 19 February 2015, and focused on multilateral cooperation in the fight against violent extremism.

433. The Conference was attended by over 300 senior officials and experts in the fields of justice, finance, security, education, religion, and civil society organizations and actively engaged media against violent extremism.

- *Training workshop on the implementation of the Algiers Memorandum on best practices in Preventing kidnappings with ransom by terrorists and the elimination of profits arising from such acts, held from 21 to 23 July 2015.*

434. GIABA participated in the training workshop on the implementation of best practices of the Algiers Memorandum on the Prevention of Kidnapping associated with ransom demands by terrorists and the elimination of the resulting benefits. Co-organized by the Institute of Security Study and the US Department of Justice, the workshop was held in Dakar, Senegal from 21 to 23 July 2015.

435. The objectives of the workshop are summarized as follows:

i. Identify international mechanisms, agreements, typologies and other relevant instruments to fight against kidnapping associated with ransom demands and the commission of this violation by terrorist individuals or groups;
ii. Revise the provisions of international agreements on the subject and consider the conditions for their effective implementation;
iii. Examine the difficulties related to the application of best practices, guidelines and other measures designed to effectively combat kidnapping involving ransom demand by terrorist organizations.

- *National Training Workshop on Combating Terrorism and Financing of Terrorism, from 3 to 4 August 2015, in Côte d'Ivoire.*

436. GIABA was invited to participate in a national training workshop on counterterrorism and the financing of terrorism, held in Côte d'Ivoire from 3 to 4 August 2015, at the National Police School, and organized by the Institute for Security Studies (ISS). During the workshop, GIABA gave a presentation on the use of financial investigative techniques for locating and recovering assets belonging to terrorists and terrorist organizations in accordance with the relevant international instruments and best practices.

437. The participants coming from the police and gendarmerie recommended that: (i) dedicated courses should be included in the curricula of vocational schools; (ii) training modules on combating terrorism and its financing be developed; (iii) mechanisms for national coordination, cooperation and liaison in the fight against terrorism and its financing be harmonized; (iv) States should be equipped with border control tools in order to strengthen the fight.

- *Training workshop organized by the Counter-Terrorism Task Force on, 12-13 August 2015, Dakha, Bangladesh.*

438. GIABA participated in the training workshop organized by the Counter-Terrorism Task Force from 12 to 13 August, 2015 in Dakha, Bangladesh, on capacity-building in the designation of terrorist entities and the freezing of their assets.

439. The training was administered to 24 participants, with the aim to improve understanding and implementation by investigative official of resolutions 1267 (1999), 1989 (2011) and 1373 (2001) of the UNSC, and the 40 FATF Recommendations.

- *Conference on «The Culture of Peace in a context of Violent Extremism: the Mauritanian Approach», 19 August 2015, Nouakchott, Mauritania.*

440. Upon invitation from the Ministry of Foreign Affairs and Cooperation of the Islamic Republic of Mauritania, the Director General of GIABA participated in a conference on «The culture of peace in a context of violent extremism: the Mauritanian approach». 19 August 2015, in Nouakchott, Mauritania.

441. Participants from different countries and regional and international organizations were composed of experts from various ministries, academic institutions and civil society. The aim of the conference was to analyze Mauritania's approach to the use of the culture of peace as a means of resisting the rise of violent extremism.

442. At the end of the workshop organized around thematic groups, the participants understood that the concept of security went beyond securing the territory, power or symbols of the State. It also encompasses the social, economic and cultural rights of citizens, gender and child rights. The concept of security is now a global and multidimensional concept.

- *Training on Counter-Terrorism and its Financing for Representatives of Law Enforcement Agencies in the Maghreb and the Sahel organized by INTERPOL, from 7 to 18 September 2015, in Marrakech, Morocco.*

443. GIABA participated in a training organized by INTERPOL in Marrakech, Morocco, from 7 to 18 September 2015. The training was attended by 23 participants from the national anti-terrorist units, immigration authorities and INTERPOL national offices in 7 Countries (Burkina Faso, Chad, Mali, Mauritania, Morocco, Niger and Tunisia).

444. The training focused on the use of INTERPOL tools and services to investigate and prosecute ML/TF violations. GIABA made a presentation on regional AML/CFT legislation and freezing mechanisms relating to the assets of terrorist organizations and individuals.

- *23rd International Symposium on Economic Crime, 6-13 September 2015, Cambridge, United Kingdom.*

445. The Cambridge International Symposium, which brings together senior officials, decision-makers and experts annually, aims to promote broad understanding of practical problems in preventing and combating economic crime, corruption and abuse, and to boost cooperation in this field.

446. The symposium was held from 6 to 13 September 2015 in Cambridge, United Kingdom, on «Compliance Procedures in AML/CFT».

447. GIABA, drawing on its experience and achievements, made a presentation on the challenges of regulatory compliance and the implementation of AML/CFT in West Africa.

- *Joint meeting of FATF and GAFILAT experts on Typologies of Money Laundering and Terrorism Financing, 7-9 September 2015, Mexico City, Mexico.*

448. GIABA participated in a joint meeting of FATF and GAFILAT experts on money laundering and terrorist financing typologies from 7 to 9 September in Mexico City, with the aim of sharing global experiences on new and emerging policies to combat TF. Discussions focused on the need for private sector involvement, financial management practices, the use of modern communication networks, and the exploitation of natural resources for TF purposes.

- *Plenary of the Action Group against Money Laundering in Central Africa (GABAC) from 13 to 17 September 2015, in Yaoundé, Cameroon.*

449. GIABA participated in the GABAC plenary meetings, held from 13 to 17 September 2015 in Yaoundé, Cameroon.

450. The mission was carried out within the framework of cooperation between GIABA and GABAC as recommended in February 2015 by the meeting of the Finance Ministers of the Franc Zone.

- *Working meeting between GIABA and the Japan International Cooperation Agency (JICA), 15 September 2017, Dakar, Senegal*

451. A working session between GIABA and JICA was held on 15 September 2015 in Dakar. It was intended to respond to JICA's request for information on the enforcement of AML/CFT standards in the French-speaking countries of West Africa, with a view to enabling this agency to develop its program in the region. The Secretariat therefore asked JICA to submit a formal request for information on GIABA's involvement in the implementation of its activities.

- *Meeting of the Committee of Experts on Combating Money Laundering, 30 September 2015, Paris, France.*

452. GIABA participated in the meeting of the Franc Zone Experts Committee on Combating Money Laundering on 30 September 2015 at the Banque de France. The Secretariat made a contribution on: (i) activities of Member States; (ii) training of evaluators on mutual evaluations; (iii) capacity building of FIUs; (iv) Niger membership of the Egmont group; (v) adoption of the new WAEMU uniform AML/FT law.

- *Meeting of Finance Ministers of the Franc Zone from 1 to 2 October 2015, in Paris, France.*

453. At this meeting of finance ministers, two round tables were facilitated by financial experts from the Zone, one on AML/CFT and the other on the statust of convergence in the Zone. At the end of the meeting, the ministers, governors and presidents of regional institutions:

i. Reiterated their desire to step up efforts in the implementation of AML/CFT measures;
ii. Committed to provide coordinated responses and to harmonize the legal and regulatory requirements of the Franc Zone;
iii. Stressed the need to adopt best international standards and practices as promoted by FATF and CLAB, with a view to better ensuring the smooth flow of financial transactions in the franc zone as well as in the rest of the world.

- *FATF Plenary and Working Groups Meetings, Paris, France, 23 October 2015*

454. GIABA participated in the meetings of the FATF Plenary Working Group and Meetings from 21 to 23 October 2015 in Paris, which focused on: (i) analysis of AML/CFT country; (ii) a report on mutual evaluations; (iii) development of typologies; (iv) the establishment of the FATF Training and Research Institute; and (v) new members and associate members.

- *Interpol Program on Instability Control in the Maghreb and Sahel, Casablanca, Morocco, from 24 to 25 November 2015.*

455. GIABA participated in the Interpol program on the fight against instability in the Maghreb and the Sahel. The project initiated by the Department of Training and Capacity Building, funded by the German government, aimed to build the capacity of actors in the Maghreb and the Sahel through a specialized training session on terrorism and financial crime.

456. The program emphasized the use of Interpol's tools and services in investigation, prosecution, conviction on the financing of terrorism. Participants were trained on anti-corruption strategies and money laundering legislation. The training session from 26 to 30 October 2015 was followed by a regional operation in the seven target countries.

- *9th Meeting of National Focal Points of the African Center for Studies and Research on Terrorism (CAERT) from 16 to 18 December 2015, in Algeria.*

457. The ninth meeting of the African Center for Studies and Research on Terrorism (CAERT), held from 16 to 18 December 2015 in Algeria, aimed at fostering a debate between the focal points on terrorist threat in African countries and assessing the implementation of activities in the CAERT strategic plan which was adopted at the ninth meeting of the focal points. The plan presented the priority areas on which the Center will work during the current period. To this end, CAERT will: (i) continue its technical assistance efforts by facilitating collaboration with other relevant international organizations and partners, exchanges between providers and beneficiaries of training; (ii) strengthen its relations with African research institutes, universities and researchers, with a view to conducting comprehensive studies on terrorism in Africa, granting scholarships, organizing seminars and meetings on issues related to terrorism, extremism and other forms of violence.

CHAPTER 8

ADMINISTRATION, SUPPORT SERVICES, MONITORING AND EVALUATION

458. Implementation of the 2011-2014 Strategic Plan was completed in December 2014. Pending the development and implementation of a new strategic plan, the GIABA Secretariat continued to implement its programs and projects for the 2015 transition year, using the «Result-Based Management» approach. During the year 2015, the Secretariat commissioned an independent evaluation of the implementation of its 2011-2014 plan. The results and lessons learned from this evaluation exercise should inspire the development of the next strategic plan.

459. The following summary reports on results of activities undertaken in the implementation of the 2015 annual work plan on the one hand, and on those highlighted by the independent evaluation mission, on the other. The analysis will include observations and recommendations to improve future actions. Comprehensive information is available in the specific semi-annual and annual, monitoring and evaluation reports for 2015, as well as in the independent evaluation report of the 2011-2014 strategic plan.

MONITORING AND EVALUATION OF THE 2015 WORK PLAN

1. Program Planning and Implementation

460. GIABA developed its annual work plan for 2015, whereby one hundred and thirty-seven (137) activities should be carried out. Of these, ninety-three (93) are consistent with the results chain and can be measured against the specific objectives expected, while the others are for the most part administrative and support activities. The programs and projects planned for 2015 are distributed and aligned with the Specific Program Areas (SPAs), which reflect the approach to implementing the annual work plan. From a monitoring and evaluation perspective, activities related to SPA «Technical Assistance to Member States» are realigned on SPAs to whose results they are actually contributing (see Monitoring and Evaluation Report).

461. During the first six-month period, fifty-seven activities (57) out of ninthy-three (93), being 61.3%, were planned. At the end of the period, twenty-eight (28) activities were implemented, representing a completion rate of

49.12%. In addition, seven (7) activities were completed, bringing the rate to 54.69%. This average rate of completion reflect difficulties encountered in mobilizing the budgetary resources needed to implement the planned activities. GIABA's management has therefore developed a pessimistic scenario, which consists in drawing up a list of priority projects that will constitute the new work plan for the second half of the year. Thirty-one (31) priority projects and activities are featured on the list for implementation from August to December. Eventually, twenty-six (26) of the planned activities were carried out, being a completion rate of 83.87%, and finally 86.11%, taking into account five additional activities carried out during this second period.

TABLE 1 : Status of activities implementation

	1st Semester	2nd Semestre	Annual
Planned	57	31	88
Achieved	28	26	54
Additional achievement	7	5	12
Gross completion rate	49,12%	83,87%	61,36%
Enhanced completion rate	54,69%	86,11%	66,00%

462. Overall, during 2015, GIABA recorded a completion rate of 61.36% of its planned activities. This was increased to 66.00%, including additional activities carried out. This level of achievement contrasts with the usual levels experienced in the past. This situation is explained by the determining factor of budgetary constraints resulting from low mobilization of financial resources. This assessment concerns projects that were to be financed from ECOWAS resources and those to be financed from EU support funds (9 activities / projects). These funds could not be mobilized in a timely manner. Moreover, the financial support granted to GIABA by the African Development Bank (AfDB), enabling the completion of three (3) large projects, did not significantly offset the implementation rate. The products and services delivered are listed and analyzed in previous chapters of this report. They generally concern training of targeted stakeholders, financial support, provision of equipment, and study tours on behalf of stakeholders in the Member States.

2. Analysis of program budget and its implementation

463. For 2015, as in the previous year, the implementation of GIABA projects/programs was confronted with treasury constraints. This negatively affected the implementation of the annual work program and limited the capacity to carry out initially program activities.

464. The 2015 annual budget, approved under the programs, was UA 7,554,226. This amount is composed of the funds expected from ECOWAS (UA 6,235,719), AfDB (UA 194,989) and the EU (UA 1,123,518). At the end of the year, the mobilization rates for program funding were 90.64%, 100% and 0% respectively for ECOWAS, ADB and EU. In total, the overall mobilization rate was 77.40%. This, naturally, had a negative impact on the pace of program implementation.

3. Expected results from Member States: Review of Performance Indicators

465. GIABA interventions, combined with those of other technical and financial partners, have contributed to improving the AML/CFT systems of States. The performance indicators give an overview of progress made by each State and provide information on the difficulties in achieving the planned results.

466. In summary, significant results have been noted in areas where the following indicators have been achieved by at least 50%: (i) proportion of countries that have undergone mutual evaluation; (ii) Number of Member States that have passed an AML Law and a CFT Law; (iii) number of countries with operational FIUs, (iv) proportion of countries with regular follow-up status (93.3%); (v) proportion of countries that have developed and validated a national AML/CFT strategy document (73.3%); (vi) proportion of Member States with FIU's admitted to the Egmont Group (53.3%).

467. Nevertheless, in order to fully assess the overall performance, other relevant indicators must be taken into account, including:

i. «Number of countries that have conducted a national risk assessment». Little progress is noted, as no country has yet concluded its national risk assessment. It should be emphasized that only Ghana, Sierra Leone and Nigeria have started the process. Member States should consider this as an important measure since it is a key recommendation for the second round of mutual evaluation.

ii. «Number of ML indictments» and «Number of ML convictions». These indicators remain at relatively low levels, even zero for some Member States. The most advanced countries in this area are Nigeria, Ghana and Senegal, followed by Cabo Verde, Niger and Côte d'Ivoire. Countries should placed more emphasis on the effectiveness of AML/CFT measures. These should result in higher numbers of cases and convictions. The ratio between convictions and investigation reports sent to public prosecutors shows that this indicator is still at a very modest level, whereas its improvement constitutes a guarantee of effectiveness for AML/CFT measures.

468. Lastly, in order to resolve the issue of unavailability of statistics on convictions, Member States should put in place reliable mechanisms for collecting and exchanging data.

INDEPENDENT EVALUATION OF THE IMPLEMENTATION OF THE 2011-2014 STRATEGIC PLAN

3.1. Background and methodology

469. For the period spanning July to September 2015, GIABA evaluated the implementation of its 2011-2014 Strategic Plan, which came to end in December 2014. The evaluation was carried out independently by a consultant. Thus, on 9 and 10 October 2015, in the presence of the main stakeholders, heads of ECOWAS diplomatic and consular missions accredited to Senegal, technical and financial partners, a group of representatives of ECOWAS national units, Financial Intelligence Units officers, a workshop was organized to review the results of the evaluation.

470. It should be recalled that the Strategic Plan was approved by the GIABA Ministerial Committee in 2010, and a mid-term assessment was done in 2013, confirming at the time that implementation was on due course.

471. The final evaluation was undertaken to identify and assess results achieved in the four (4) years of implementation of the 2011-2014 Strategic Plan. It also purported to provide all stakeholders with information on progress made and achievements in the implementation of the strategic plan.

3.2. Main study findings and conclusions

472. The outcome of the exercise confirmed results of the mid-term evaluation. Indeed, GIABA had achieved significant results over the period under review. Most of the objectives achieved and activities focused on advocacy and technical assistance to Member States were bearing positive results on the structure of AML/CFT mechanisms.

473. In the area of advocacy and stakeholder mobilization, actions conducted in the period have led to the adoption of measures in the Member States to develop strategies to combat ML/TF. It is difficult to gauge the positive development of public opinion in this domain, as no survey was conducted on this perception. However, the emergence of political will in the Member States and the inclusion of AML/CFT issues among their priorities constitute convincing evidence of GIABA's work in mobilizing policy-makers, and sensitization of strategic partners.

474. In terms of GIABA's action in the field of compliance of control systems, all Member States have adopted laws against ML/TF. However, significant efforts remain to be made to criminalize the full range of predicate crimes, as defined by FATF, and in the processing of AML/CFT by the judiciary. For the majority of stakeholders, GIABA's technical and financial support has been decisive in the implementation of AML/CFT.

475. As regards GIABA's support to the Financial Intelligence Units (FIU), significant results were observed. Indeed, all Member States have FIUs which are operational, to varying degrees. The training activities have proved beneficial to the stakeholders. Support for equipment and capacity building has not yet produced all the expected results. The deployment of software to analyze and process STRs and the availability of detection scanners in the countries did not meet the expectations of the beneficiaries.

476. Concerning the mutual evaluation and follow-up actions, GIABA's response and support contributed to enhancing the compliance of the States' regimes with FATF Recommendations and other international standards. These results are partly explained by advocacy activities, technical assistance, and the provision of incentives for improvement. Through advocacy missions, political commitment at the State level has become increasingly apparent and decisive.

477. The results of GIABA's work to support typologies and research are mixed. Despite the important achievements over the period, three challenges must be be underlined: the first relates to the knowledge production process; the second to the dissemination of products, and the third relates to their utilization and usefulness in designing effective procedures for preventing, controlling and eliminating ML/TF in the region.

478. Finally, GIABA's work in the framework of regional and international cooperation has intensified. GIABA's active presence on the international scene has confirmed its regional leadership and increased its global visibility. Despite significant progress in providing States with credible and effective AML/CFT mechanisms, major challenges remain.

3.3 Recommandations

479. Drawing on lessons learned from the main findings and conclusions, the independent evaluation resulted in the following recommendations: to

i. Strengthen institutional governance with a view to improving GIABA's organization and functioning in order to increase effectiveness and impact of action in the Member States;
ii. Strengthen advocacy and stakeholder engagement in order to enhance GIABA's contribution to the objectives of policy makers, civil society and the general public;
iii. Improve and specify support for the development, adoption and implementation of an effective AML/CFT legal framework;

iv. Continue strengthening support for development of effective FIUs and investigative capacities of Member States;
v. Undertake post assessment of mutual evaluations and strengthen country capacities in the preparation, implementation and monitoring of risk-based assessments;
vi. Redefine policy and procedures for developing research and typologies and further strengthen Member States' capacities in this field;
vii. Strengthen its strategic position on the international fora by utilising its FATF, membership as well as its mandate as an enabler to develop more strategic partnerships at the international and regional levels;
viii. Establish, in the medium term, a regional ad hoc AML/CFT team, in partnership with the IMF, UNODC, EU and US, as well as any relevant actor. This taskforce will address the management of cross-border cases, relying on AML/CFT competences of the countries;
ix. Further ensure more equitable distribution of support and assistance to individual countries and increase focus on countries facing specific challenges due to difficult social, political or economic situations. Similarly, within the framework of programming and implementation of actions in the Member States, GIABA should plan actions in closer collaboration with the countries, with a view to better organize missions and interventions. More generally, GIABA should strengthen its communication with national correspondents and improve the readability of its organization in such a way that promotes identification services and interlocutors within the Secretariat.

480. The implementation of these recommendations would enable GIABA to take on board the new AML/CFT challenges and emerging issues through a new strategic plan that will contribute to realize the vision of the new management and better support member States in the process of the second round of mutual evaluations.

CHAPTER 9

CONCLUSION, OPPORTUNITIES, CHALLENGES AND PRIORITIES FOR THE FUTURE

481. In the context of completion of the 2011-2014 Strategic Plan in December 2014, and pending the development and implementation of the next Strategic Plan, the year 2015 was a transition period devoted to carrying out residual activities of the previous plan, whose implementation fell short below optimal (66.36%), due to the financial constraints faced by all the institutions of ECOWAS. Against this backdrop, the financing agreement signed with the AfDB, which helped to boost the achievement rate, is more than salutary. This partnership will be maintained and diversified through the signing of a financing agreement with the European Union at the end of the year.

482. Technical assistance provided to Member States by GIABA has enabled the establishment of AML/CFT mechanisms in the States, strengthening the capacities of actors in the fight against crime, including those of FIU's staff and supervisory authorities.

483. With regard to the support of the FIUs, GIABA welcomes the admission of the CENTIF of Niger to the Egmont Group in 2015. GIABA also appreciate the Decision N° 02/2015/CM/WAEMU of 2 July 2015 adopted by the WAEMU Council of Ministers on AML/CFT in the States. With the hope that Member States will rapidly domesticate this instrument, the Secretariat is actively preparing the process for the second round of mutual evaluations, whose implementation agenda is being finalized.

484. Concerning the challenges, the following issues should be the focus of attention for political authorities and other relevant State officials: (i) the adoption of mechanisms for the effective implementation of the relevant United Nations Security Council resolutions, in particular Resolutions 1267 and 1373; (ii) the establishment of national control systems in line with the 40 FATF Recommendations, and integrating the risk-based approach; (iii) the establishment of relevant provisions and mechanisms to promote international cooperation.

485. Lastly, it is clear that the number of court rulings made by member States in respect of money laundering and terrorist financing is still very low. This situation is all the more worrying because given the stakeholder mobilization effort in order to meet the effectiveness requirement as set by the new methodology, has not yield the expected result. Low effectiveness, as measured by the eleven (11) immediate outcomes developed by the FATF, may lead a country to enhanced follow-up status reflecting notable weakness of its mechanism or to being designated as a non-cooperative country.

486. Assessing the scope and importance of these new binding provisions, the Secretariat has developed a State preparedness strategy that places national risk assessment and pre-evaluation at the heart of its priorities.

487. The Secretariat will, thus, continue and step up its support to the States and stakeholders in order to help them take ownership of the processes and procedures of National Risk Assessments and Mutual Evaluations. To this end, it is negotiating with the European Union so that the funding granted by the 10th EDF under the SAMWA project can be increased and sustained by the 11th EDF.

488. The year 2016 will coincide with the start of implementation of the new 2016-2020 Strategic Plan. This 5-year plan, is aligned with CSF which draws from the vision 2020 of ECOWAS to transform the Community of States into a Community of the Peoples. The vision is aimed at making GIABA a modern and model institution for the promotion of AML/CFT, enabling its contribution to the building of a harmonious, well-secured and peaceful West Africa whose core values are based on democracy and good governance.

INTER-GOVERNMENTAL ACTION GROUP AGAINST
MONEY LAUNDERING IN WESTAFRICA (GIABA)

FINANCIAL STATEMENTS
31 DECEMBER, 2013

INTER-GOVERNEMENT AL ACTION GROUP AGAINST MONEY LAUNDERING IN WEST AFRICA (GIABA)
STATEMENT OF FINANCIAL POSITION AS AT 31DECEMBER 2013

	Note	2013 UA	2012 UA
ASSETS			
Current Assets			
Cash and Cash Equivalents	4	1 200 410	1 243 386
Receivables	5	139 731	142 960
Prepayment	6	85 688	107 558
		1 425 829	1 493 904
Non-current assets			
Infrastructure and Equipment	7	467 313	503 551
TOTAL ASSETS		1 893 142	1 997 455
LIABILITIES			
Current Liabilities			
Payables and Accrua ls	8	(1 094 0960)	(844 670)
Employee Benefits	9	(743 858)	(1 075 082)
TOTAL LIABILITIES		**(1 837 954)**	**(1 919 752)**
NET ASSETS		**55 188**	**77 703**
NET ASSETS			
NET ASSETS		**55 188**	**77 703**



ALHAJI BARRY
Ag. DIRECTOR OF ADMIN AND FINANCE



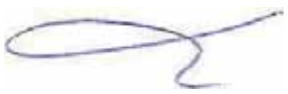
ADAMA COULIBALY
DIRECTOR GENERAL

The financial statements were approved by the Management of GIABA on 23rd May 2016

INTER-GOVERNMENTAL ACTION GROUP AGAINST MONEY LAUNDERING IN WEST AFRICA (GIABA)

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 UA	2012 UA
REVENUE			
Community Levy	10	8 959 104	8 682 432
Other Income	10	273 913	348 121
Total Revenue		9 233 017	9 030 553
EXPENSES			
Statutory Meetings	11	361 097	368 227
Staff cost	12	4 238 952	3 459 687
Rentai and Maintenance	13	106 494	133 339
Vehicle Maintenance/Fuel/Insurance		34 832	49 258
Utilities		32 448	33 137
Supplies		44 285	27 817
Postage and Telecom		73 375	81 900
Travels	14	74 283	151 494
General Expenses	15	99 878	121 340
Depreciation	7	225 736	226 837
Exchange Loss	16	179 823	367 351
Programmes	17	3 785 129	3 883 974
Total Expenses		9 255 532	8 904 361
(Deficit)/Su rplus for the year		**(22 515)**	**(126 192)**



STATEMENT OF CHANG ES IN NET ASSETS FOR THE YEAR ENDED 31DECEMBER 2013

	2013 UA	2012 UA
Accumulated Fund at 1 January	77,703	(48,489)
(Deficit)/Surplus for the year	(22,515)	126,192
Balance at 31 December	55,188	77,703

INTER-GOVERNMENTAL ACTION GROUP AGAINST MONEY LAUNDERING IN WEST AFRICA (GIABA) CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER, 2013

	2013 UA	2013 UA	2012 UA	2012 UA
CASHFLOW FROM OPERATING ACTIVITIES				
(Deficit)/ Surplus	(22 515)		126 192	
Depreciation	225 736		226 837	
Decrease/(Increase) in Receivables	3 229		18 056	
(Increase) in Prepayments	21 870		5 726	
Increase in Payables	249 426		1 805	
(Decrease)/Increase in employee benefit	(331 224)		478 517	
Profit on sale of fixed asset	-		(1 302)	
NET CASHFLOW FROM OPERATING ACTIVITIES		146 522		808 267
INVESTING ACTIVITIES				
Acquisition of infrastructure and equipment	(189 498)		(160 854)	
Receipts from Sale of Fixed Asset	-		(1 302)	
NET CASHFLOW USED IN INVESTING ACTIVITIES		(189 498)		(159 552)
Net (Decrease)/Increase in Cash Equivalent		(42 976)		648 715
Cash and Cash Equivalent at beginning of period		1 243 836		594 671
Cash and Cash Equivalent at end		1 200 410		1 243 386





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