

CHAPTER ONE

1.0 COUNTRY BRIEF

1.1 The Republic of Ghana

Ghana, officially called the Republic of Ghana, is a sovereign state located along the Gulf of Guinea and Atlantic Ocean, in West Africa¹.

In its early history, Ghana was occupied by various prehistoric Akan empires, including the Ashanti Kingdom, the Akwamu, Fanti, as well as the Ewe and Ga. European contact in Ghana began with Portuguese explorers in the fifteenth century and was followed by the British establishment of the Gold Coast Crown Colony in 1874. The Gold Coast gained independence in 1957, as the first colonial African country to achieve independence. The name Ghana was selected for the new country to reflect the prehistoric Kingdom of Ghana that once extended across most of Western Africa. Its name means “warrior king.”

1.2 Facts & Figures

The Republic of Ghana has H.E. John Dramani Mahama as her President, who was sworn into office after the sudden demise of H.E. Professor John Evans Atta Mills on 24th July, 2012.

Ghana occupies a land area of 88,811 square miles (230,020 sq km) and a total area of 92,456 square miles (239,460 sq km).

The official language is the English language and the Ghana Cedi (GH¢) is the monetary unit. It is a unitary state, presidential system and a constitutional Republic².

1.2.1 Population

The population of Ghana is divided into 75 ethnic groups. In the census of 2012 the estimated population of Ghana was 25,241,998 (51% females and 49% males), giving the country an overall population density of 78 persons per square kilometre.

¹ Wikipedia

² <https://www.google.com/gh/search> – Wikipedia

The most densely populated parts of the country are the coastal areas and the Ashanti region, with the two principal cities being Accra and Kumasi.

About 70 percent of the total population lives in the southern half of the country. The most numerous people are the Ashanti, who live in central Ghana and the coastal Fanti, both of whom belong to the Akan family.

The Accra plains are inhabited by the Ga-Dangme. Most of the inhabitants in the northern region belong to the Moshi-Dagomba or to the Gonja group³.

1.2.2 The Capital

Accra, the capital and largest city of Ghana is in the southeastern part of Ghana, on the Gulf of Guinea with an estimated population of 4.1 million. Accra is an important commercial, manufacturing, and communications center. It is the site of an international airport and a focus of the country's road system. The capital is 33 kilometres from Tema, which since 1962 has served as one of the country's deepwater ports⁴.

1.3 Politics

Politics of Ghana takes place in a framework of a presidential representative democratic republic, whereby the President of Ghana is both head of state and head of government, and of a multi-party system. The seat of government is at Flag Staff House, Independence Avenue, Accra. Executive power is vested and exercised by the government. Legislative power is vested in both the government and Parliament. The Judiciary is independent of the executive and the legislature.

The 1992 Constitution that established the Fourth Republic provided a basic charter for a republican democratic government. It declares Ghana to be a unitary republic with sovereignty residing in the Ghanaian people. Intended to prevent future coups, dictatorial government, and one-party state, it is designed to establish the concept of power sharing.

³ www.ghanaembassy.otg/index.php

⁴ www.ghanaembassy.otg/index.php

The Constitution reflects lessons learned from the abrogated constitutions of 1957, 1960, 1969, and 1979, and incorporates provisions and institutions drawn from British and American constitutional models. One provision of the Constitution indemnifies members and appointees of all past military regimes from liability for any official act or omission during the years of their rule. The Constitution calls for a system of checks and balances, with power shared between a president, a unicameral parliament, a council of state, and an independent judiciary.

1.3.1 Executive Arm of Government

Executive authority is established in the Office of the President, together with the Council of State. The President is Head of State, Head of Government, and Commander-in-Chief of the Armed Forces. According to the Constitution, two-thirds of the President's appointed ministers of state must be chosen from Parliament.

1.3.2 Legislative Arm of Government

Legislative functions are vested in Parliament, which consists of a unicameral 275-member body plus the Speaker. To become law, legislation must have the assent of the President, who has a qualified veto over all bills except those to which a vote of urgency is attached.

The members of Parliament are elected for a four-year term in single-seat constituencies by simple majority vote. As is predicted by Duverger's law, the voting system has encouraged Ghanaian politics into a two-party system, which means that there are two dominant political parties, with extreme difficulty for anybody to achieve electoral success under the banner of any other party.

Elections have been held every four years since 1992. Presidential and parliamentary elections are held alongside each other, generally on 7th December.

1.3.3 Judicial Arm of Government

The structure and the power of the judiciary are independent of the two other arms of government. The Supreme Court of Ghana has broad powers of judicial review. It is authorized by the

Constitution to rule on the constitutionality of any legislation or executive action at the request of any aggrieved citizen.

The hierarchy of courts derives largely from British judicial system. The courts have jurisdiction over civil and criminal matters. They include the Superior Courts of Judicature, established under the 1992 Constitution, and the Lower Courts, established by Parliament. The Superior Courts are, from highest to lowest, the Supreme Court of Ghana, the Court of Appeal and the High Court of Justice.

The Lower Courts, since the Courts Act, 2002 (Act 459) as amended, include the Circuit Courts, the Magistrate Courts, and special courts such as the Juvenile Courts. In 2007, Her Ladyship, Mrs. Georgina Theodora Wood became the first ever female Chief Justice of the Republic of Ghana.

1.3.4 *Administrative Divisions*

Ghana is made up of 10 regions, further divided into districts. The regions of Ghana are Ashanti, Brong Ahafo, Central, Eastern, Greater Accra, Northern, Upper East, Upper West, Volta, and Western. The largest of the regions is the Northern region, while the smallest is Greater Accra.

The political administration of the country is carried out through the local government system. Under this system, each region is divided into districts, municipal or metropolitan areas. Each district, municipal or metropolitan area, is administered by a Chief Executive, representing central government but deriving authority from an Assembly headed by a Presiding Member elected from among the members themselves.

There are 216 districts in the 10 regions broken down as follows: Ashanti Region – 30, Brong Ahafo Region – 27, Central Region – 20, Eastern Region – 26, Greater Accra Region – 16, Northern Region – 26, Upper East Region – 13, Upper West Region – 11, Volta Region – 25 and Western Region – 22.

1.4 The Economy - Real and External Sector Performance

1.4.1 Growth

In the second quarter of 2013, the economy grew by 6.1 percent, compared to 9.1 percent in the corresponding quarter in 2012 and 6.7 percent in the first quarter of 2013. The trend of growth in the second quarter was different from that of the first quarter in which the Agriculture and Services sectors recorded positive growth rates while the Industry sector recorded a negative growth.

In the second quarter of 2013, the Services sector once again led with a growth of 9.2 percent, compared with 12.0 percent in the first quarter. The Agriculture sector declined by 3.9 percent in the second quarter, compared with a positive growth of 1.1 percent in the first quarter and 1.6 percent in the analogous quarter in 2012. The Industry sector grew by 2.5 percent, compared with a growth of 5.0 percent in the corresponding quarter in 2012 and a decline of 0.8 percent in the first quarter, reflecting the impact of the power crisis.

In view of the performance of growth in the first two quarters of the year and developments in the global economy, particularly the prices of major exports, real GDP growth for 2013 was 4.4%. This was far lower than the estimated Budget target of 8.0 percent for 2013.

1.4.2 Inflation

Inflation continued on an upward trend from January 2013, rising consistently from 10.5 percent in February to 11.8 percent in July. The rise in inflation over the first seven months of the year was driven by both food and non-food inflation underpinned by the upward price adjustments of petroleum products, demand pressures and the extended cyclical lean food season. It is worth mentioning that the National Petroleum Authority adopted a prudent programme of reducing petroleum prices when crude oil prices fell.

It is also important to emphasize that the Ghana Statistical Service (GSS) rebased the CPI basket and consequently released new inflation figures on 26th June 2013.

Owing the trends in inflation during the first eight months of the year and the impact of the adjustment in utility tariffs for the same year, inflation rate increased from 8.8 percent the previous year to 13.5 percent by end December 2013.

1.4.3 Exchange Rate

The Ghana cedi remained broadly stable, recording a cumulative depreciation of 3.9 percent during the first eight months of the year compared with a depreciation of 18.4 percent during the same period in 2012.

1.4.4 External

During the year under review, the value of merchandise exports was estimated at US\$9.8 billion, improving by 4.1 percent over the outturn for the same period in 2012. As a result of the decline in international prices of major export commodities, earnings from gold fell by 12.6 percent to US\$3.4 billion, while exports of cocoa beans also declined by 21.4 percent to US\$1.4 billion. Oil exports, however, increased by 46.9 percent to US\$2.8 billion, as a result of increased production.

For the same period, the value of imports declined in to US\$11.6 billion from US\$11.9 billion in 2012. The decline came from a slowdown in both oil and non-oil imports. Oil imports went down by US\$60.9 million to US\$2.3 billion, while non-oil imports also declined by 2.4 percent to US\$9.3 billion within the period. The trade balance for the period therefore improved to a deficit of US\$1.8 billion from a deficit of US\$2.5 billion in 2012.

Gross international reserves at the end of December stood at US\$5.6 billion equivalent to 3.3 months of import cover⁵.

⁵ Press statement on the performance of the economy and preparation for 2014 budget, Presented by Hon. Seth E. Terkper (Minister for Finance)

CHAPTER TWO

2.0 THE AML/CFT SITUATION IN WEST AFRICA⁶

2.1 OVERVIEW

In 2013, West African countries witnessed some major political, economic and social developments with varying implications for AML/CFT. Prominent among these developments was the continued macro-economic growth over the past eight years and the expansion of the financial sector.⁷

Specifically, West Africa projected to post an average GDP growth of 6.7% and 7.4% in 2013 and 2014, respectively.⁸ Sustained economic growth and financial expansion are critical to long-term human development in the region. Yet, based on the evidence,⁹ economic and financial growth rather provide a fertile ground for large-scale corruption and profit-motivated crimes unless accompanied by far-reaching reforms and discipline in governance. Moreover, the fact that much of the growth had not tallied with the generation of employment suggested that very many young people continued to suffer high unemployment, with attendant consequences for crime and other social problems.

The process of democratization was deepened and consolidated in most West African countries during the year under review. Specifically, Benin, Cabo Verde, Côte d'Ivoire, Ghana, Guinea, Mali, Niger, Senegal and Togo saw commendable democratic progress. The successful conclusion of peaceful general elections in Mali, the judicial confirmation of the contested result of Ghana's presidential election by the Supreme Court, the peaceful conduct of long-awaited parliamentary elections in Guinea and Togo, and the success of local elections in Côte d'Ivoire despite dangerous episodes of tension during the campaigns, coupled with boycott and low turnout of voters, are tremendous testimonies to democratic progress.

Also important was the integration of several political parties in Nigeria, the region's largest democracy, into a single large opposition party with the ambition to be a counterweight to the ruling party. These developments, apart from the postponement of general elections in Guinea Bissau

⁶ GIABA 2013 Annual Report

⁷ World Economic Outlook, October 2013: Transitions and Tensions. 2013 *International Monetary Fund*.

⁸ African Economic Outlook, AfDB, OECD, UNDP, ECA 2013.

⁹ Apart from Ghana, all GIABA member States have persistently occupied the low human development band of the UNDP ranking of human development in the world. See the Human Development Report published yearly by the UNDP.

from November 2013 to the first quarter of 2014, raised the hope for an inclusive process of development that optimised the region's resources through sound democratic governance – a *sine qua non* for successful implementation of AML/CFT measures in the region.

However, some negative developments in regional security during the year could hamper the expressed hope. The region suffered from a number of terrorist activities, regardless of strong national and regional counter-terrorism efforts. Deadly Al-Qaeda-linked terrorist organizations – Al-Qaeda in the Islamic Maghreb (AQIM) operating in the north of Mali, Boko Haram and Ansar Dine operating in the north of Nigeria and in parts of Niger – stepped up vicious campaigns of terror (mass killings, kidnappings, abductions and attacks on vital economic installations), making Sahelian West Africa one of the most insecure regions in the world.

Linked to the increase in terrorist activities is the persistence of organised crime across the region in 2013. This is evidenced by a warning from the United Nations UN Secretary-General, Ban Ki-Moon, that 'terrorism, trafficking in arms, drugs and people, and other transnational forms of organised crime are threatening security in Africa's vast sub-Saharan Sahel region'.¹⁰ Crucially, these conditions provide the necessary fertile ground on which money laundering and terrorist financing thrive.

A number of partners provided technical assistance to countries most affected by terrorism in the region. This increased political commitment and enhanced local capacity to counter the problem. However, the fight against terrorism and other organised crime is far from over in the region. As the analysis of individual countries' situations show, the seeming resilience of terrorist groups, the threat to the region's cyber security as well as other criminal activities suggested that combating ML/TF in the region remained a daunting challenge.

¹⁰ West Africa: Africa's Vast Sahel Threatened by Terrorism, Organised Crime, Ban Warns, 12 December 2013. Downloaded at <http://allafrica.com/stories/201312121537.html>

2.2 THE AML/CFT SITUATION IN GHANA

2.3 Political Situation¹¹

Ghana's credentials on democratic governance were tested in 2013 after the demise of President Professor John Evans Atta Mills. The first test was the seamless swearing in of President John Mahama in January 2013, after the Electoral Commission declared him the winner of the December 2012 presidential election. In a region where politics of succession has, more often than not, been marred by tension and sometimes violence in a number of countries, the peaceful transition was exemplary of democratic and institutional maturity.

The electoral victory was however fiercely disputed and referred to the judiciary. While the country's Supreme Court confirmed the validity of the Electoral Commission's declaration, the patience of all the stakeholders to allow the dispute go through the judicial process right up to the apex court proved that Ghana's institutions of democracy can stand the test of time.

The supportive political environment provided the context for the country's continued improvement in governance. Ghana occupied the 63rd position on Transparency International's global index of corruption, with a score of 46%. In 2012 it was on the 64th position, with 45%.¹² On Mo Ibrahim's governance index, the country was placed on the 7th position out of 52 African countries, with a score of 66.8%.¹³ Late in the year, the President sacked a serving minister who, inter alia, was overheard boasting that she would make USD 1,000,000.00 during her tenure of office as a politician if she had the opportunity. This singular action demonstrated the President's intolerance for corruption, a predicate offence for money laundering and sent a strong message to public officials.

¹¹ GIABA 2013 Annual Report

¹² Transparency International's CPI 2012 and 2013.

¹³ Mo Ibrahim Foundation (2013), 2013 Ibrahim Index of African Governance: Summary. Available at <http://www.moibrahimfoundation.org/downloads/2013/2013-IIAG-summary-report.pdf>

2.4 Economic and Financial Framework

Ghana has one of the fastest growing and best performing economies in the region. The GDP was projected to grow at the rate of 8.0% in 2013 and 8.7% in 2014.¹⁴ This performance is owed to revenues from investments in the new oil and gas sector, strong performance on the export of gold and cocoa, and huge investments in public infrastructure and commercial agriculture.¹⁵ While this performance is noteworthy, the economy faced some challenges.

The country dropped by a point in the World Bank's *Doing Business 2013* report¹⁶ from the 63rd to the 64th position, an indication that Ghana's business climate was seen to be less attractive in 2013 than the previous year. Also worrying was the upward inflationary pressure. These had been attributed to pressure on government expenditure, foreign exchange depreciation, the higher-than-budget wage bill of public sector employees, and high energy subsidies.¹⁷ Indeed, the currency, the Ghana Cedi, was one of the worse-performing currencies in the international currency exchange market in 2013.

The redenomination of the Cedi should serve as a lesson to other countries in the region. The main lesson is that once a currency is redenominated to the full extent possible, as Ghana did in 2007 (approximately on parity with the US dollar), inflationary pressure stretches the elasticity of the local currency due to uncontrollable factors, especially imports in the absence of local production and the effects arising from the cash–informal economy nexus. This issue is critical to effective implementation of AML/CFT measures given that inflation erodes purchasing power, thereby reducing real income of citizens, making them poorer and thus more susceptible to crime.

In spite of these challenges, the combination of good governance and rapid growth impacted on human development in the country. Ghana made significant progress on most of the Millennium Development Goals, although the targets of child mortality, maternal health and sanitation remain a

¹⁴ African Economic Outlook, 2013 Country Note for Ghana.

¹⁵ Ibid.

¹⁶ World Bank, *Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises*.

¹⁷ African Economic Outlook, AfDB, OECD, UNDP, ECA 2013.

big challenge.¹⁸ Human development performance is mixed as the country's HDI, as published in the UNDP Human Development Report for 2013, dropped by one point from its position in 2010.

In response to these challenges, the Government intimated the implementation of the Ghana Shared Growth and Development Agenda 2010–2013. The Agenda covered macro-economic stability; private sector competitiveness; agricultural modernization and natural resource management; oil and gas development; infrastructure and human settlements development; human capital development, productivity and employment; and transparent and accountable governance.¹⁹

2.5 Prevalence of Predicate Crime

The rapid growth of the Ghanaian economy without adequate safeguards is a natural attraction for criminals. The US Department of State's International Narcotics Control Strategy Report (INCSR, 2013, vol. II) listed narco-trafficking, various forms of fraud and public sector corruption as the main predicate crimes for money laundering in the country.²⁰ According to the report, public sector corruption operates mainly through the channels of public procurements and awarding of licences. Emerging cyber security crimes also listed included advance fee fraud (known locally as *sakawa*), credit card identity fraud and ATM account numbers, bank fraud, tax fraud, currency smuggling as well as transfer pricing.

An emerging trend was a coveted target for acts of misappropriation, plundering and corruption in the natural resource industry due to their high commercial value. The business of exploring, extracting and exporting natural resources like gold, oil and gas, among others usually characterised by complicated regulations, high levels of government control, procurement of special permits, payment of taxes and other royalties also provided opportunities for manipulation and corrupt practices. In many instances, so little information was made public about the negotiations and contract terms which created avenues for abuse from both sides of the table.

¹⁸ UNDP Human Development Report 2013: *Rise of the South, Human Progress in a Diverse World*.

¹⁹ African Economic Outlook.

²⁰ INCSR 2013 vol. II, p. 157.

Across the globe, companies bidding for potentially lucrative deals allegedly often made illegal payments in disguise to government officials or the representatives, for favours to win contracts.

The large informal proportion of the Ghanaian economy permits the thriving of these crimes because detection and tracking of dubious transactions is extremely difficult in such an environment.

Significant drug seizures were reported in the year. These included the arrest of 442029.3933 grams of cocaine aboard MV ATIYAH ES-ALISAM VESSEL on November 19, 2013 at the Sekondi Naval Base. The UNODC also reported that Ghana had become one of the sources of methamphetamine from West Africa.²¹ Most revealing, the Managing Director of a private security company operating at the *Landside* car parks of Ghana's international airport was arrested with two Nigerians and a Colombian in May 2013 for conspiring to smuggle Afghan heroine to New York.²² The case was being prosecuted in the USA.

Trafficking in persons (including migrant smuggling) is also a prevalent crime in Ghana. It is designated as a country of origin, transit and destination for men, women and children subjected to forced labour and sex trafficking.²³ Ghanaian ladies are recruited by fraudulent agencies and exported to countries in West Africa, Europe, the USA and the Middle East for forced labour and sexual exploitation or forced prostitution.²⁴ Trafficking of young persons within the country is, however, more prevalent than transnational trafficking.

According to the INCSR, the proceeds of these crimes are laundered through investments in banking, insurance, real estate, automotive and general import businesses, and donations to religious institutions. These proceeds from the sale of cars stolen from abroad (mostly from the USA and Europe), and transfer pricing are sometimes used to repatriate 'profit' or to evade customs duties and other taxes.²⁵ The emergence of the oil and gas sector, with its enclave nature of transactions, also increased Ghana's vulnerability to ML/TF. Accordingly and pursuant to Section 21(2) of the Anti-Money Laundering Act, 2008 (Act 749), the Minister by the Anti-Money

²¹ UNODC, West Africa; 2012 ATS Situation Report – A Report from the Global SMART Programme (Vienna, June 2012).

²² BBC News, Ghana ex-airport official, Adelaquaye, faces US drug charges, 5 June 2013.

²³ Trafficking in Persons Report 2013, p. 178.

²⁴ Ibid.

²⁵ INCSR 2013 vol. II, p. 158.

Laundering Regulation, 2011 (L.I.1987) expanded the scope of Accountable Institutions subject to Suspicious Transaction Reports to include operators in the Oil/Gas, Mining, Freight Forwarding and Timber sectors.

2.6 AML/CFT Framework

Ghana continued to make significant progress in improving its AML/CFT regime since 2012 when it was placed under the FATF International Review process because of the identified high risks associated with the country's non-compliance with the key and core recommendations of the FATF Standards. A Public Statement was also issued on Ghana by the FATF in February 2012.

With considerable support from GIABA, the country made significant progress in addressing the strategic deficiencies identified in its mutual evaluation. This progress resulted in the country's exit from the FATF International Review process in February 2013.

The specific actions undertaken by Ghana are discussed in Chapter Three of this report. To reinforce the momentum of progress recorded in the year, the Centre signed a Memoranda of Understanding (MOU) with Centifs of Cabo Verde and Guinea Bissau in November 2013. Based on the agreement reached between the authorities of Ghana and the African Centre for the Study and Research on Terrorism (ACSRT), the country was subjected to Terrorist Financing onsite by ACSRT in November 2013. The Executive Summary of the onsite report is provided as Appendix VIII.

2.7 Technical Assistance

The technical assistance that GIABA provided to Ghana enabled the country to achieve the giant strides it had made towards strengthening its AML/CFT system. Specifically, GIABA facilitated Ghana's engagement with the FATF Regional Review Group and the onsite visit to Ghana, which took place from 14 to 18 January 2013. In this connection, GIABA supported the country to review

and adopt executive guidelines for the implementation of UNSCRs 1267, 1378, 1718 and 1737, successor resolutions and any other relevant resolution.

Other assistance to Ghana by GIABA included capacity-building on economic and financial crimes for Ghana's judges, investigators and prosecutors. The leadership of GIABA also undertook a number of advocacy visits to the country during which the political leadership was sensitised on AML/CFT issues.

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CHAPTER THREE

3.0 THE FINANCIAL INTELLIGENCE CENTRE, GHANA

3.1 OVERVIEW OF THE CENTRE

The FIC's objects and functions are to protect the integrity of Ghana's financial system and contribute to the administration of justice through its expertise in Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT).

This important role is played through the exercise of our two interdependent functions – as the anti-money laundering and countering the financing of terrorism (AML/CFT) regulator and as Ghana's hub of financial intelligence.

3.2 Role and Functions

The Centre was established in 2010 under Section 4 of the Anti-Money Laundering Act, 2008 (Act 749) as a body corporate with perpetual succession mandated to receive, analyse suspicious transactions reports and disseminate intelligence to Law Enforcement Agencies (LEAs) and other competent authorities both in Ghana and abroad.

As the AML/CFT regulator, the Centre oversees the compliance of Ghanaian financial and non-financial institutions (banks and non-banks) as well as the Designation Non-Financial Businesses and Professions (DNFBPs) with their obligations under Act 749. These businesses include financial services providers, the gaming industry, jewellery and precious metals dealers, remittance service providers and other specified accountable institutions / reporting entities under the Act. In this report, these entities are collectively referred to as Accountable Institutions (AIs).

As the hub of financial intelligence in Ghana, the Centre analyses information provided by AIs through suspicious transaction reports and other reports. The Centre disseminates the resulting financial intelligence to its partner agencies namely; law enforcement, national security, regulatory bodies, revenue agencies and other competent authorities, as well as international counterparts.

This financial intelligence assists FIC's partner agencies and international counterparts in investigating and prosecuting serious criminal activity such as money laundering, terrorism financing, other organised crime and predicate offences such as cyber crime and tax evasion.

3.3 Vision and Purpose

FIC's vision is a Ghanaian community that is hostile to money laundering, terrorist financing, other organised crime, including people smuggling, tax evasion and cyber crime.

The Centre's purpose is to protect the integrity of the Ghanaian financial system and economy as well as contributing to the administration of justice through our expertise in fighting money laundering and the terrorist financing.

3.4 Strategic Direction

3.4.1 The FIC's strategy for 2013 to achieve its mandate included the following:

- i. Continuing to strengthen partnerships with industry, partner agencies and international counterparts.
- ii. Contributing to protect the integrity and global reputation of the Ghanaian financial environment and economy by supporting national efforts and commitment to combating trans-national organised crime including terrorism financing.

3.4.2 The Centre achieved the above in 2013 by:

- i. improving and supplementing its systems to enhance dealings with its diverse regulated population,
- ii. providing guidance to regulated entities on their obligations,
- iii. strengthening its compliance capability and undertake, where appropriate, measured enforcement action,
- iv. leveraging opportunities arising from integrating intelligence and supervisory functions, enabling resources to be focused for greatest impact, in industry sectors most vulnerable to money laundering and terrorism financing (ML/TF) risks,

- v. providing advice to the Attorney-General's Department in formulating policy directions on legislative amendments to improve the administration of the AML/CFT framework,
- vi. implementing stronger measures to regulate remittance service providers in Ghana and
- vii. contributing to efforts to combat ML/TF and other transnational organised crime through information exchange with counterpart FIUs, involvement in international bodies and development of Ghana's AML/CTF framework to meet international standards.

3.5 Summary of Operational Activities

FIC closely monitors the timing, volume and quality of reports received from Accountable Institutions (AIs). This is done through ongoing data integrity assessments and the use of database tools and outputs.

The 2013 work plan for the Centre was largely informed by the past years challenges in the receipt, filtering, analysis and dissemination of reports from AIs for which remedy mechanisms were put in place to mitigate.

Cooperation with the LEAs and other competent authorities was enhanced mainly through networking in both local and international trainings, seminars, workshops and conference which greatly enhancing access to additional information for analysis. So also was the creation of the Anti-Money Laundering Task Force, akin to Interpol's "Joint Investigation Team" idea.

In line with Regulation 16 of the Anti-Money Laundering Regulation, 2011 (L. I. 1987), the Centre developed the Verification of Beneficiary Owner's Form to facilitate enhanced due diligence on beneficiaries through the collection of further and better particulars on transactions in financial institutions.

3.5.1 Analytical Function

The Centre continued to receive STRs from AIs in accordance with section 30 of Act 749. About 60% of the AIs filed electronic STRs to facilitate the timeliness of the receipt of information by the Centre though with undulating tendencies. The rise and fall in the number of STRs received month on month was viewed in a positive light as most reports were considered actionable. Approximately 0.28% of the STRs were also received from Designated Non-Financial Businesses and Professions (DNFBPs) including lawyers, indicating that the awareness campaign on AML/CFT as well as proper Customer Due Diligence (CDD) measures gained momentum during the year under review.

3.5.2 Analysis of Suspicious Transactions Reports (STRs)

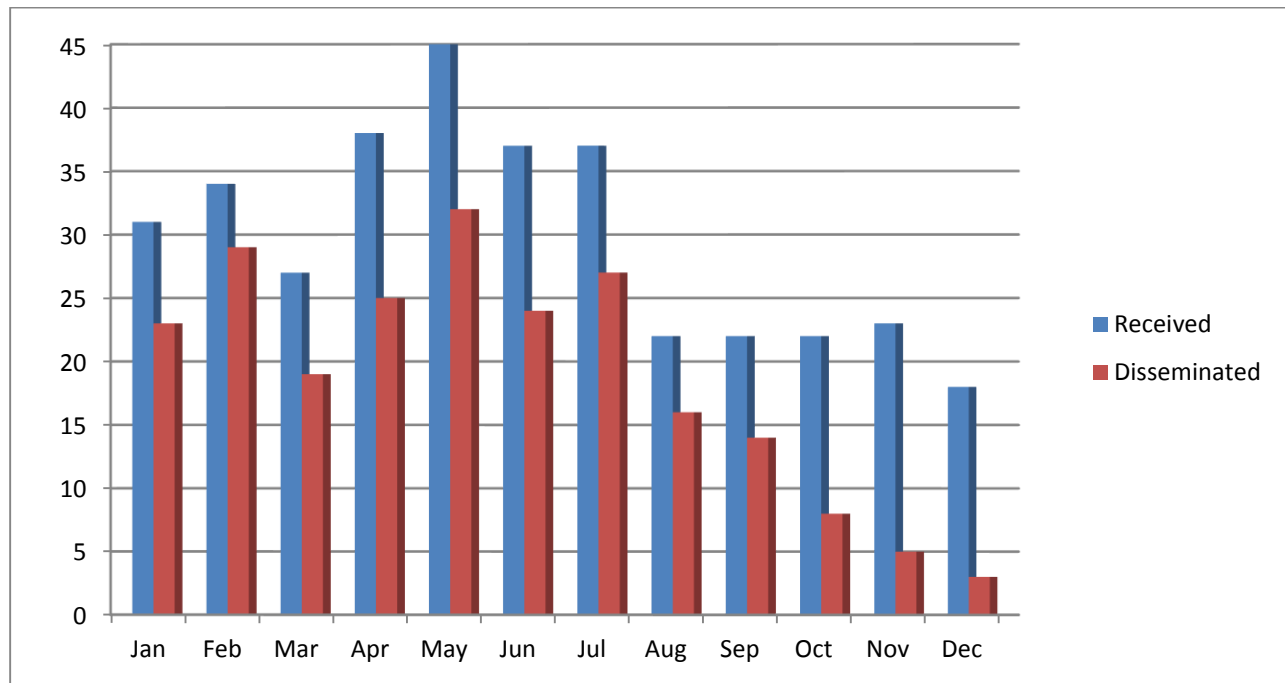
The number of STRs received during the year 2013 totalled 356 compared to 375 received the previous year. The short fall in the number compared to the previous year could be attributed to AIs pursuing better Customer Due Diligence procedures to establish suspicion and thereby filing quality and actionable STRs. This is depicted in the table below.

Table 1: STRs received and disseminated in 2013

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Received	31	34	27	38	45	37	37	22	22	22	23	18	356
Disseminated	23	29	19	25	32	24	27	16	14	8	5	3	225

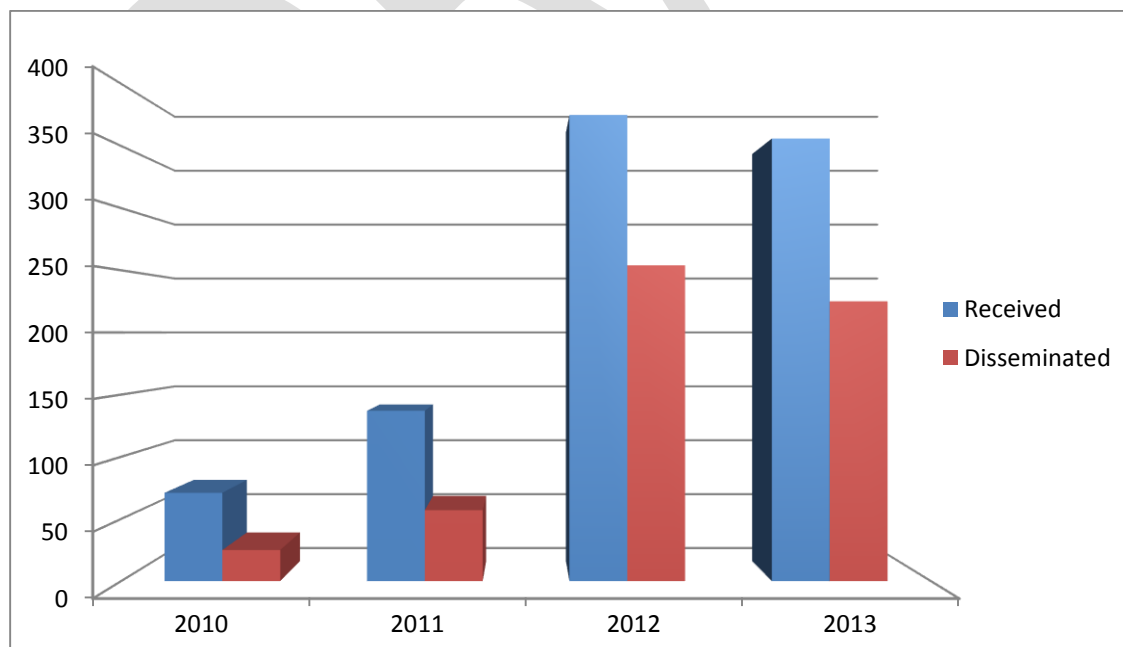
Between January and July 2013, average STRs received ranged between 29 and 37 per month, though there was a slight rise in May which was 45. However, there was a steady dip to 22 reports each month in August, September and October. This steady fall in the numbers received continued through to 18 in December as shown in figure 2 below.

Figure 2: STRs received and disseminated in 2013



Compared to year 2012, the number of reports received in the year under review fell as depicted in figure 3 below. The rate of dissemination also plummeted as most of the AIs who filed were directed to monitor the accounts and activities of the customers.

Figure 3: STRs received and disseminated from years 2010 - 2013

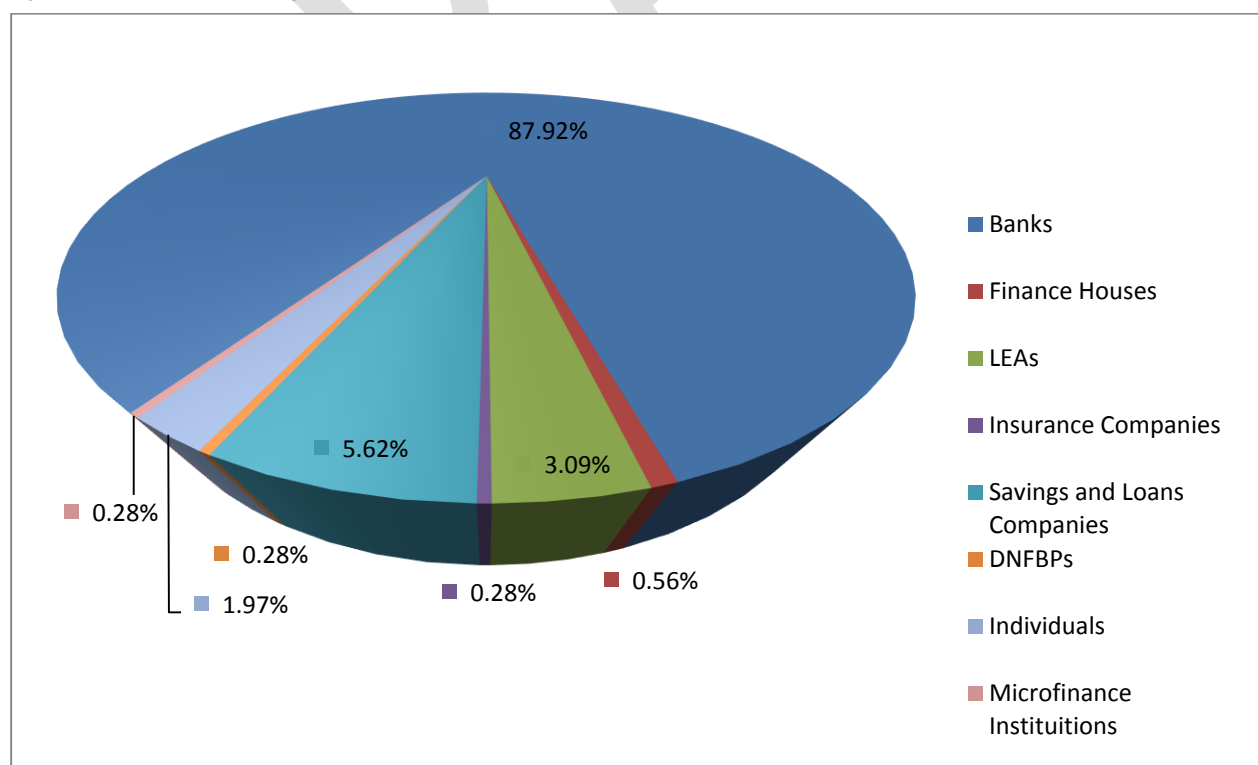


As depicted in table 2 and figure 4 below, out of the total 356 STRs received, banks still remained the dominant Accountable Institution with 87.92% of total STRs filed, followed by Savings and Loans Companies which increased to 5.62% from 3.47% in 2012. With the exception of Bank of Baroda, all the 26 banks at least filed an STR in 2013.

Table 2: Percentage of STRs Filed According to Sources

Accountable Institution	Percentage (%)
Banks	87.92
Savings and Loans Companies	5.62
LEAs	3.09
Individuals	1.97
Finance Houses	0.56
Insurance Companies	0.28
DNFBPs	0.28
Microfinance Institutions	0.28
Total	100

Figure 4: STRs Filed According to Sources in 2013

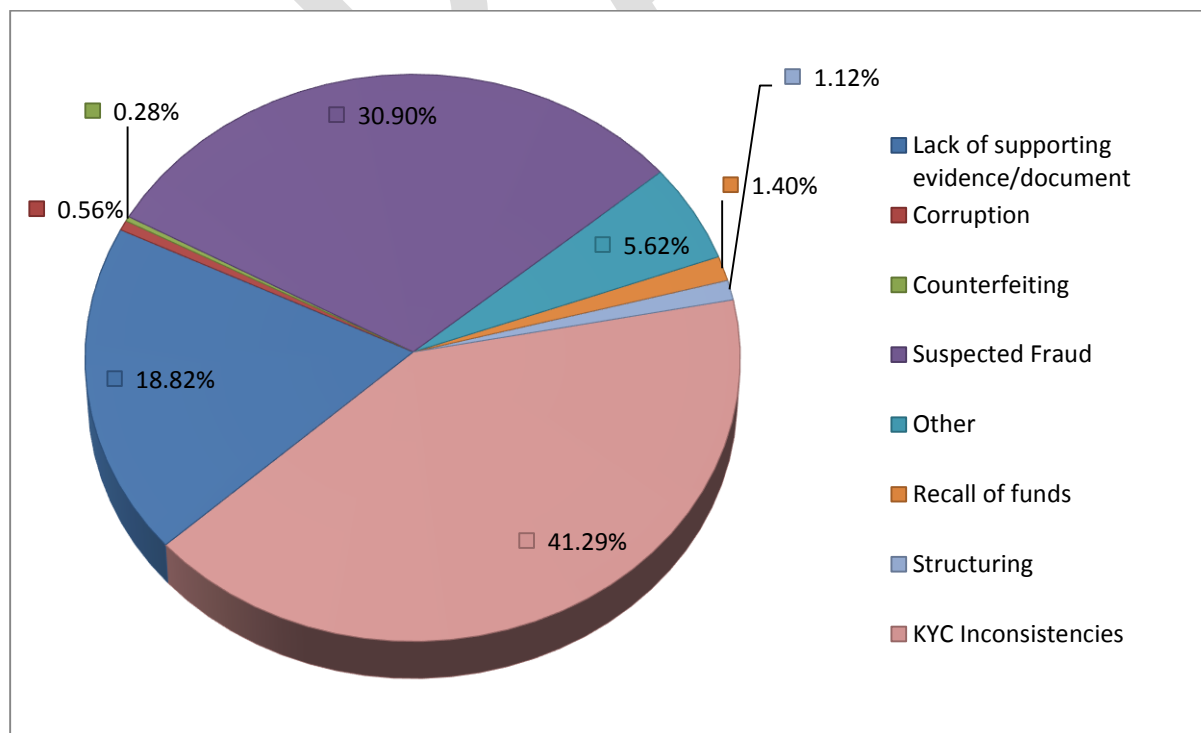


Reasons cited for suspicion for the STRs filed were classified under nine (9) main components. Transactions inconsistent with known KYC details of customers and suspected fraud scored the highest. The main component of suspected fraud was forgery of documents. These are presented in table 3 and figure 5 below and particularly discussed in paragraph 3.7.1.

Table 3: Percentages of STRs According to Reasons for Suspicion

Reason for suspicion	Percentage (%)
KYC Inconsistencies	41.29
Suspected Fraud	30.90
Lack of supporting evidence/document	18.82
Other	5.62
Recall of funds	1.40
Structuring	1.12
Corruption	0.56
Counterfeiting	0.29
Total	100

Figure 5: Percentages of STRs Filed According to Reason for Suspicion



3.5.3 Outcome of Intelligence Reports

In spite of the cooperation with the LEAs regarding the dissemination of intelligence reports and the enhanced access to further information requested during their investigations, the challenge still remained for the LEAs to successfully prosecute money laundering cases. Feedback from the LEAs to the Centre on the status of the cases referred to them in accordance with the law was also not forthcoming.

3.5.4 Information Technology and Systems

In comparison with 2012 where the Centre's IT infrastructure was at the infant stage, the year under review saw a firm development of its core functions including the following:

- Provision of reliable and secure IT systems.
- Designing and automation processes and procedures.
- Designing and implementation of IT security in line with international best practice.
- Implementation and maintenance of the FIC database.
- Designing and maintenance the FIC website.
- Protection of stakeholder communication links.
- Protection of data and server communication links.

3.5.5 Information Technology Policy

The Information Technology Policy and Business Continuity Plan of the Centre were developed during the period. The policy is founded on the Information Security Standard published by the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC) - **ISO/IEC 27002**. The essence of these was to ensure that the IT facilities of the Centre were legally, securely and effectively utilized for productivity.

3.5.6 Information Technology Equipment

The Centre received the following equipments and software from the Office of Technical Assistance (OTA) of the United States Treasury.

9 Desktop Computers

- 4 Laptops
- 1 Plotter
- 9 Monitors
- 13 MS Office Applications
- 15 Antivirus licenses

IBM's Analysis Notebook Software

Additionally, GIABA provided the Centre with 2 VOIP phones to enhance communication among FIUs within the West African sub-region. The Bank of Ghana also provided the FINInform system which helped with the monitoring of financial transactions of institutions with the SWIFT codes within Ghana.

3.6 *AML/CFT Compliance and Outreach*

Pursuant to Section 6(d) of the Anti-Money Laundering Act, 2008 (Act 749), the FIC provides other important functions in addition to its core function. The FIC monitors and gives guidance to AIs, Supervisory Bodies and other persons on the discharge of their duties and in compliance with the Act, Regulations and Guideline on AML/CFT.

As the hub of Ghana's AML/CFT regime, the Centre educates, monitors and works with AIs and other competent authorities to improve their compliance with obligations as required under the Anti-Money Laundering Legislations. The Centre also assists in the conduct of due diligence in consistent with Section 21(6) of the Banking (Amendment) Act, 2007 (Act 738). In this connection, the Centre's expertise is utilised to assist in investigations into the antecedents of individuals/entities seeking to provide financial services in Ghana to determine whether such individuals/entities are fit and proper.

FIC's compliance activities aim to improve AIs' AML/CFT programmes, as well as the number and quality of the STRs they submit to the Centre as required by law. These activities also assist the FIC and partner agencies in their work, and insulate AIs against attempts by criminals to misuse their services for money laundering or terrorist financing activities. In this vane, the Centre liaises

with various stakeholder-institutions and individuals involved in the regulatory regime and enforcement of the AML/CFT legislations and guidelines.

The following are some compliance and outreach activities undertaken by the Centre during the period under review. Officers from both the Legal and Compliance Units of the Centre facilitated the trainings/workshops.

Table 4: Summary of some compliance activities by the Centre in 2013

S/N	ACTIVITIES	PERIOD	DETAILS
1.	Workshop for Treasury Officers of banks.	In April 2013, FIC in conjunction with the Bank of Ghana (BOG) organised a workshop on Electronic Currency Transfer Report (ECTR) for the Treasury Officers of banks.	33 Treasury Officers were sensitized on their responsibilities under the Act and the Regulations regarding CDD procedures when handling electronic transfers.
2.	Workshop for Rural Community Banks (RCBs) and Non Bank Financial Institutions (NBFIs).	From April 24- 26, 2013, FIC organised a 3-day workshop on Cash Transaction Report (CTR) for the compliance officers of the RCBs and NBFIs.	135 participants were sensitized on submitting quality CTRs and their responsibilities under the Act and the Regulations regarding CDD procedures. The Centre used the opportunity to distribute 300 AML/CFT Public Notices and flyers.
3.	AML/CFT training for AMLROs and staff of selected Finance Houses and Capital Market Institutions.	The Centre organised AML/CFT awareness training for the AMLROs and staff of Chapel Hill Denham Securities (Ghana) Limited, Crest Finance House Ltd and Ivory Finance/CDH Holdings.	34 participants were sensitised. The workshop covered the following key areas: <ul style="list-style-type: none"> ❖ The Nature of Money Laundering and ML Red Flags. ❖ The AML Act, 2008 (Act 749) and the AML Regulation, 2011 (L.I. 1987). ❖ Responsibilities and obligations under the Act - Record Keeping and other reporting requirements.
4.	Sensitized Functional Heads of National Insurance Commission.	In May, 2013, the Centre in conjunction with OTA of the US Treasury sensitized the Functional Heads of the National Insurance Commission (NIC) on AML/CFT issues.	20 Functional Heads participated. The training session covered the following key areas: <ul style="list-style-type: none"> ❖ The Nature of money Laundering and ML Red Flags in the Insurance Industry. ❖ The AML Act, 2008 (Act 749) and the AML Regulation, 2011 (L.I. 1987). ❖ Responsibilities and obligations under the Act - Record Keeping and other reporting requirements. ❖ Key features of the prescribed

			templates for the filling of STRs/CTRs.
5.	AML/CFT Training for staff of selected banks and Savings and Loans Companies.	In June 2013, staff of The Royal Bank, Bank of Baroda, International Commercial Bank First National Savings and Loans benefitted from AML/CFT trainings facilitated by staff of the Centre.	103 participants were sensitised. The training session covered the following key areas: <ul style="list-style-type: none"> • The Nature of money Laundering and ML Red • Flags in the Insurance Industry. • The AML Act, 2008 (Act 749) and the AML Regulation, 2011 (L.I. 1987). • Responsibilities and obligations under the Act - Record Keeping and other reporting requirements. • Key features of the prescribed templates for the filling of STRs/CTRs.
6.	AML/CFT Workshop for the Capital Market Operators	From September 11 to 12, 2013, FIC in collaboration with the Securities and Exchange Commission (SEC) organised a 2-day workshop on AML/CFT for AMLROs within the capital market.	69 AMLROs within the capital market participated. The programme particularly focused on: <ul style="list-style-type: none"> ❖ Responsibilities of CMOs on AML/CFT matters ❖ AML/CFT concepts & effects ❖ FATF 40 Recommendations ❖ GIABA ❖ Sanctions ❖ KYC/CDD/EDD Requirements.
7.	Politically-Exposed Persons (PEPs) List.	In September 2013 the Centre requested all AMLROs to update their PEP list and furnish same to the Centre.	The Centre created a database of PEP lists submitted by the AIs.
8.	Capital Market Operators (CMOs) Forum	The Centre in collaboration with SEC organised the maiden CMOs Compliance Forum on October 31, 2013 at the Securities and Exchange Commission (SEC).	64 AMLROs from CMOs participated. The forum discussed the proper procedure for implementing CDD measures.
9.	GIABA Inter-Universities Speech Contest	On Friday December 13, 2013, The Inter-Governmental Action Task Group against GIABA in collaboration with the Centre organised a speech contest on "The Youth Force and the fight against corruption and Money Laundering in West Africa" .	350 students and youth participated. Contestants from selected tertiary institutions from the 5 English speaking West African countries participated in the contest. The representative from Nigeria won and received an amount of money, a laptop and a plaque as the prize. The event was held at the Christ the King Church Hall, in Accra.

The CEO, Mr. S. T. Essel presenting a certificate of participation to the Anti-Money Laundering Reporting Officer (AMLRO) of Chapel Hill Denham Securities (Ghana) Ltd. .



The FIC organised a day's training session on AML/CFT measures, at the Centre, Accra on May 3rd, 2013 for the AMLRO of Chapel Hill Denham Securities (Ghana) Ltd.. The training covered the following areas:

- *The Nature of Money Laundering and ML Red Flags*
- *The AML Act, 2008 (Act 749) and the AML Regulation, 2011 (L.I. 1987)*
- *Responsibilities and obligations of AMLROs under the Act -KYC/CDD/EDD Requirements for CMOs Record Keeping and other Reporting Requires (CTRs, ECTRs, STRs)*

Day 1 of Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Sensitisation Workshop for the Anti-Money Laundering Reporting Officers (AMLROs) of CMOs . At the opening was Mr. Alexander Williams, Deputy Director-General (Legal) of SEC.



The FIC in collaboration with the Securities & Exchange Commission (SEC) organised a 2-day workshop on AML/CFT for CMOs from on September 11 - 12, 2013, at the Centre for Scientific and Industrial Research – Science and Technology Policy Research Institute (CSIR-STEPRI), Airport, Accra. The workshop was officially opened by Mr. Alexander Williams, Deputy Director-General (Legal) of SEC and 69 AMLROs participated.

The programme particularly focused on:

- Responsibilities of CMOs on AML/CFT matters
- AML/CFT concepts & effects
- FATF 40 Recommendations
- Sanctions for non-compliance
- KYC/CDD/EDD Requirements for CMOs
- Record Keeping
- Reporting Requirements (CTRs, ECTRs, STRs)

In total, sixty-nine (69) CMOs attended the two-day workshop

3.6.1 Appointment of AMLROs in the Capital Market Operators, Insurance Companies and Other Financial Institutions

Pursuant to Regulation 5 of L.I. 1987, the Centre directed Capital Market Operators (CMOs), Insurance Companies and other Non-Bank Financial Institutions to appoint Anti-Money Laundering Reporting Officers (AMLROs) to be responsible for all AML/CFT measures within their various institutions. These measures include designing AML/CFT internal rules, putting in place CDD measures and conducting training for both the Institution's Board of Directors and the staff in line with the Act, the Regulations and the Guidelines jointly issued by the FIC, SEC, NIC and BoG for the various institutions.

By the end of 2013, fifty-six (56) out of sixty-one (61) CMOs had responded to the Centre's directive, to appoint AMLROs for their various institutions to serve as liaison officers between the Centre and their institutions.

Also, forty-four (44) out of fifty-two (52) NBFIs appointed AMLROs and forwarded their profiles to FIC. The details are provided below:

- 25 from Finance Houses:
- 19 from Savings and Loans Companies

Furthermore, thirty-eight (38) out of forty-four (44) insurance companies licensed by the National Insurance Commission (NIC) appointed AMLROs and forwarded their profiles to FIC. The AMLROs database was subsequently updated for effective communication of issues on AML/CFT.

Appointment of AMLROs

Institution	Total Number	Responses
Capital Markets Operators	61	56
NBFIs	52	44
Insurance Companies	44	38

3.6.2 Compliance Reports

The Centre received and reviewed fifty-one (51) AML/CFT compliance reports submitted by the banks, savings & loans companies and finance houses in compliance with parts 1.25 and 1.26 of the AML/CFT Guideline for Banks and NBFIs.

AML/CFT onsite compliance reports on four (4) CMOs were also forwarded by SEC to the Centre. These onsite examinations were conducted in line with FATF's Recommendation 26 and 27. The reports identified deficiencies in the conduct of the business of CMOs so far as AML/CFT measures were concerned. Strategic deficiencies identified included inadequate CDD/KYC measures, lack of training for staff and Board of Director's approval of AML/CFT compliance programmes.

3.6.3 Cash Transaction and Currency Declaration Reports (CTRs & CDRs)

During the year under review, the Centre received one million, two hundred and fifty-six thousand and fifty-four (**1,256,054**) CTRs. It was observed that compared to 2012, the quality of the CTRs filed had improved. This indicated the positive impact of the Centre's trainings to the AIs regarding filing quality reports.

Total CDRs received from GRA at the various points of entry/exit, consistent with Section 29(1) (b) of the Act, was two hundred and eighty-one (**281**), an improvement on the previous year's reports which totalled fifty-two (**52**). The Centre observed that continuous collaboration with GRA and other stakeholders would prevent the entry/exit points from being used as transit points for cash couriers.

3.6.4 Electronic Currency Transaction Report (ECTR)

The Centre in collaboration with the Bank of Ghana successfully introduced the submission of ECTRs electronically to the Centre in April 2013 to assist in the further analysis of STRs. Banks are required to submit reports on all **electronic currency transactions** above the threshold on **GH¢1,000.00**. As at December 31, 2013, **5,875** reports had been filed to the Centre. The banks filled quality reports though the pace was slow.

3.6.5 Due Diligence Requests from Bank of Ghana

To foster institutional collaboration and coordination, the Bank of Ghana requests the FIC to assist in the conduct of due diligence on persons/entities seeking to do the business of banking or any other financial business in Ghana. These requests were intended to confirm the antecedents of individuals/entities to determine whether they were fit and proper consistent with Basel Core Principles and the FATF Recommendation 10. The due diligence process was also aimed at preventing the territory of Ghana from being used by persons to launder money²⁶.

In the year under review, the Centre received one hundred and sixty-four (164) due diligence requests from the Bank of Ghana on individuals/entities seeking to do banking and non-bank financial business in Ghana.

3.6.6 Uniform Account Opening Form

The Centre in the course of the year collaborated with the Bank of Ghana to design a standardized Account Opening Forms for individuals as well as business entities. This new design incorporated AML features to help banks undertake effective KYC/CDD and to enhance customer risk management as an effective way to combat ML/TF under the Risk Based Approach in accordance with Recommendation 1 of the Revised FATF standards. Many banks have already adopted the new forms.

3.6.7 Banks Compliance Rating for 2013

During the year under review, the FIC used the under listed parameters to measure the level of compliance of banks in meeting their obligations under the AML/CFT legislations. Submission of **timely** reports for the period under review was rated as Compliant (C), Largely Compliant (LC), Partially Compliant (PC) and Non Compliant (NC) as shown in table 3 below.

The rating principally covered the following key parameters:

- i. Suspicious Transaction Reports (STRs)
- ii. Cash Transaction Reports (CTRs)

²⁶ Section 21(6) of the Banking (Amendment) Act, 2007 (Act 738), Act 749 and L.I. 1987

- iii. Electronic Currency Transaction Reports (ECTRs)
- iv. Politically Exposed Persons (PEPs) list
- v. AML/CFT Training Programme
- vi. Compliance Reports/Statutory Returns (half yearly and yearly)
- vii. Cloned Cheques Report

Table 4 below provides for the summary of banks' performance during the review period.

Table 4: Summary of some compliance activities by the Centre in 2013

BANKS COMPLIANCE RATING FOR 2013 (SUMMARY SHEET)								
PARAMETERS								
BANK	STR	CTR	ECTR	PEPs LIST	TRAINING PROGRAMME	AML/CFT COMPLIANCE REPORTS	CLONED CHEQUES	OVERALL RATING
Access	PC	LC	NC	PC	PC	PC	LC	PC
ADB	LC	PC	NC	PC	PC	PC	PC	PC
Barclays	PC	PC	NC	PC	PC	PC	PC	PC
BOA	PC	LC	PC	LC	NC	NC	LC	PC
BOB	NC	LC	NC	NC	NC	NC	NC	NC
BSIC	PC	LC	PC	NC	NC	NC	LC	PC
CAL	PC	LC	PC	PC	LC	LC	LC	LC
Ecobank	LC	LC	NC	NC	PC	NC	PC	PC
Energy	PC	LC	NC	LC	LC	LC	LC	LC
Fidelity	LC	LC	NC	NC	PC	LC	LC	PC
FAB	PC	LC	LC	NC	PC	LC	PC	PC
GCB	PC	PC	NC	NC	NC	PC	PC	PC
HFC	PC	PC	NC	PC	LC	PC	PC	PC
ICB	PC	PC	PC	PC	PC	PC	PC	PC
GTB	PC	PC	NC	LC	PC	LC	PC	PC
MBG	LC	PC	NC	NC	NC	LC	PC	PC
NIB	PC	PC	NC	PC	LC	NC	LC	PC
PBL	NC	LC	NC	NC	LC	LC	LC	PC
Royal	PC	LC	PC	NC	LC	LC	PC	PC
SCB	PC	LC	NC	NC	PC	PC	PC	PC
SG	PC	LC	NC	NC	LC	PC	PC	PC
Stanbic	PC	LC	NC	NC	NC	PC	PC	PC
UT	PC	PC	NC	NC	LC	PC	PC	PC
uniBank	PC	LC	NC	LC	LC	PC	PC	PC
UBA	LC	PC	NC	PC	PC	PC	PC	PC
Zenith	LC	LC	NC	LC	PC	LC	LC	LC

3.7 Legal and other Legislative Matters

Ensuring that Ghana is fully AML/CFT compliant with FATF standards, the Centre facilitated the preparation and enactment of additional AML/CFT legislations to further strengthen Ghana's AML/CFT regime.

To conform to international standards and best practice, the Centre through the Legal Unit collaborated with local and international stakeholders to review existing laws for amendment. During the year under review therefore, certain laws were repealed and bills were drafted to amend provisions to adequately address the lacunae identified in the existent AML laws. The following actions were undertaken:

3.7.1 Executive Instrument (E.I.) 2, 2013

Ghana enacted Executive Instrument 2 (E.I.2) in February 2013 to adequately address and implement obligations under the United Nations Security Council Resolutions (UNSCRs) 1267, 1373, 1718, 1737, successor resolutions and other relevant resolutions consistent with FATF Recommendations.

3.7.2 The Anti-Money Laundering (Amendment) Bill

In response to recommendations made by the International Monetary Fund (IMF), Financial Action Task Force (FATF) and the Inter-Governmental Action Group against Money Laundering in West Africa (GIABA), the Centre initiated the drafting of amendments to the Anti-Money Laundering Act, 2008 (Act 749). The Bill was approved by Cabinet.

In particular, the Centre made recommendations to the Parliamentary Select Committee on Constitutional, Legal and Parliamentary Affairs to set the minimum sentences for offences and also to increase the punishment to 5000 penalty units and or ten (10) years imprisonment for serious offenses committed under the Act.

The Centre also proposed an amendment to Section 5 of Act 749 making it explicit the Centre's obligation to exchange information on **Terrorist Financing** with counterparts in foreign jurisdictions. This amendment was crucial to the Centre's quest for admission to the EGMONT GROUP of FIUs.

3.7.3 The Anti-Terrorism Act (Amendment) Bill

The Anti-Terrorism Act (Amendment) Bill was drafted, approved by Cabinet and laid before Parliament. The Amendment seeks to empower the High Court to order the funds of a terrorist, financiers of terrorism or a terrorist organization in general to be frozen. Hitherto, the High Court could only order to be frozen funds of a terrorist organization **designated by the United Nations Security Council**.

3.7.4 The Companies (Amendment) Bill

The Companies (Amendment) Bill was also prepared and reviewed. The following key issues in line FATF's Recommendations were made as proposals to the amendment:

- i. A provision for the Registrar of Companies to demand from prospective companies, information on beneficial ownership consistent with Recommendations 24 and 25 of the Revised FATF Recommendations..
- ii. Competent authorities in particular law enforcement agencies should have all powers necessary to obtain timely access to basic and beneficial ownership information.

3.8 Other Activities

During the year under review, the Centre facilitated the following activities:

3.8.1 Freezing of Funds and Other Assets of UN Designated Individuals and Entities

Pursuant to Section 8 of E.I. 2, 2013 the Chief Executive Officer on four occasions during the year ordered the freezing of funds and other assets of UN designated individuals and entities and without delay, reported the freezing to the Minister for Justice and Attorney-General.

Subsequently, the Minister for Justice and Attorney-General within forty-eight hours after receipt of the report from the Centre, applied by motion ex-parte for orders from the High Court, and on hearing the motion, the High Court ordered the freezing of the funds. Thereafter and without delay, the Minister informed Competent Authorities, including the Minister for Foreign Affairs and Regional Integration. A report was then submitted by the Minister for Foreign Affairs and Regional Integration to the relevant Sanctions Committee of the United Nations on the orders for the freezing of funds and other assets of the designated persons/entities.

The Centre disseminated information on the actions taken to local and foreign competent authorities, including other Financial Intelligence Units and entities, responsible for counter-terrorism and counter-financing of terrorism matters.

3.8.2 Declaration of the FIC as a Public Procurement Entity

The Financial Intelligence Centre applied and was declared a Procurement Entity by the Ministry of Finance in accordance with Section 16 of the Public Procurement Act, 2003(Act 663). This led to the inauguration of the Centre's Entity Tender Committee (ETC) in May, 2013. The ETC subsequently met twice in May, 2013. Some of the key issues discussed included the 2014 Procurement plan as well as the design and construction of the proposed FIC's office complex.

3.8.3 AML/CFT Task Force

A special task force was inaugurated by the National Security Coordinator in his capacity as the Chairman of LECOB in June 2013. The task force comprised personnel from the National Security Council Secretariat (NSCS), EOCO, GRA, Criminal Investigation Department (CID) of the Ghana Police Service and the Ministry of Justice and Attorney-General's Department (MOJAG) was formed to operate as a Joint Investigative Team to arrest, prosecute money laundering offenders and trace tainted property with the view to confiscating same to the Republic. Two (2) lawyers from MOJAG were to advise the Task Force specifically on the ingredients of money laundering cases.

3.8.4 Seminar on Terrorism

The Centre coordinated the organisation of a seminar on Terrorism and Terrorist Financing by the National Security Council Secretariat in October, 2013 at the Accra International Conference Centre. Some of the key issues discussed during the seminar centred on the following:

- i. How terrorists and terrorist entities are financed.
- ii. Countries and organisations that finance terrorists and terrorist activities.
- iii. How to trace, identify freeze and confiscate terrorists' funds.

The seminar involved participants from all competent authorities in Ghana's AML/CFT regime. Notable among them are the National Security Coordinator, the Deputy Minister for Justice and Attorney-General, the Director-General, Ghana Immigration Service, the Commissioner, National Insurance Commission and the Commander, Ghana Navy.

3.8.5 African Centre for the Study and Research on Terrorism (ACSRT)

The Centre together with the National Security Council Secretariat (NSCS) organised the onsite visit and reviewed the onsite report by the African Centre for the Study and Research on Terrorism (ACSRT) based in Algiers, Algeria. This was organised in October 2013, under the auspices of the Law Enforcement Coordinating Bureau (LECOB). Dignitaries in attendance at the event included the Minister for Foreign Affairs and Regional Integration, the National Security Coordinator, the CEO of the FIC, the Deputy Director-General of the National Crisis Response Centre (NCRC), the Comptroller of Immigration at the Kotoka International Airport, and other high ranking officials from the MOJAG, Ghana Police Service and GRA (Customs Division).

3.8.6 Serious Organised Crime Agency

Two officials from the Serious Organised Crime Agency (SOCA), now National Crime Agency (NCA), United Kingdom and the British High Commission, Accra were hosted by the Centre. The meeting discussed unparalleled coordination and collaboration with the Agency in the fight against transnational organised crime which has become a global canker.

3.8.7 Foreigners Identification Management System (FIMS)

The Centre hosted and also participated in meetings with Foreigners Identification Management System (FIMS) Oversight Committee. The meetings discussed means to assist AIs identify and verify the identity of customers including foreigners who conduct businesses in Ghana in line with AML/CFT measures. This Committee was formed by the National Identification Authority (NIA), to plan the rolling out of biometric cards for foreign residents with the aim to assist businesses protect their operations, build trust with customers and minimize the risk of financial losses due to identity theft and fraud, further insulate such business from the risk of ML and TF.

3.8.8 Accounts Frozen and Confirmed by Court

Seventeen (17) accounts were frozen and court orders obtained for the confirmation of the frozen accounts as a result of STRs filed to the Centre. All the cases were forwarded to appropriate LEAs for action.

3.8.9 Memorandum of Understanding with Ghana Immigration Service

The Centre participated in the signing of a joint MoU with the Ghana Immigration Service (GIS) and other institutions on 20th November, 2013 for institutional cooperation and exchange of information. Though the FIC in had earlier executed an MOU in 2012 with GIS, it became necessary for another one to be executed with the GIS on the one part and the FIC, EOCO, Passport Office and the Ghana Police Service on the other part for effective institutional collaboration.

3.8.10 Global Forum on Transparency and Exchange of Information for Tax Purposes

The Centre again participated in the preparatory workshop of Ghana for the Phase II Peer Review Assessment held on 29th November, 2013. This involved preparatory work towards the enhancement of Ghana's rating by the Global Forum on Transparency and Exchange of Information for Tax Purposes organised by the Tax Policy Unit of the Ministry of Finance and the Ghana Revenue Authority.

3.9 *Research Activities Undertaken by the Centre*

FATF's Recommendation 1 obligates all countries to assess their ML/TF risks, emerging threats, trends, patterns and methods of money laundering activities in the country and to put in place effective counter measures to mitigate the risks identified. The Centre therefore established the Research Unit in May 2013 to analyse the characteristics of Suspicious Transactions Reports (STRs) and Currency Transactions Reports (CTR) received from AIs as well as crime reports from other sources.

A number of variables were selected and analysed to enable the Centre identify the techniques, trends, patterns and methods (typologies) of ML/TF activities in the country.

The following patterns of STRs disseminated to law enforcement agencies were identified during the period under review.

3.9.1 *Trends and Patterns from STR Analysis*

- About 90% of subjects on whom STRs were filed were predominantly Ghanaian male adults. The remaining 10% was made up of Nigerians and Chinese nationals.
- Businesses linked to these STRs were relatively characterized as sole proprietorship.
- The age bracket of subjects on whom STRs were filed ranged between the 25 years to 30 years.
- The types of identity cards used to open bank accounts varied. These included Passports, Voter's Identity Cards, National Health Insurance Cards, Driver's Licenses and occasionally the National Identification Card. National Identification Cards were used less often due to the fact that most Ghanaians do not have access to them.
- The suspected predicate offence associated with the STRs filed was largely linked to suspected fraud. It is worth noting that this predicate offence was confirmed by the LEAs after thorough investigations had been conducted.
- It was further observed that almost all the STRs emanated from peri-urban branches of the various banks and from a few regional capitals. These areas included Achimota, Taifa, Spintex Road, Abeka Lapaz and Swedru though a few were filed from the regional capitals of the Ashanti and Northern regions.

- The financial instruments widely used by the subjects were cash, cheques and wire transfers with wire transfer being the most prevalent.
- The techniques used by subjects included cybercrime (romance fraud) and gold scams and the main currency being United States dollar.
- The countries found vulnerable were the United Kingdom and the United States of America and Australia. It was also observed that most of the victims had not travelled to Ghana before and were not aware of the socio-cultural developments in the country.
- Generally, the foreign owned banks filed more STRs than the local banks as victims found it convenient to wire funds through these banks.

3.9.2 Deductions from CTRs Analysis

Pursuant to the parts 1.4(b) and 1.22 of the AML/CFT Guideline for Banks/NBFIs, CTRs received were analysed to ascertain the number of transactions undertaken in banks above the threshold of GH¢ 20,000.00. All 26 banks filed CTRs over the period. However, Ghana Commercial Bank Ltd., (GCB), National Investment Bank (NIB) and United Bank for Africa, Ghana Ltd. (UBA) exhibited levels of inconsistencies in the submission of their reports.

Although the number of banks filing the reports fluctuated month by month, 15 banks regularly filed CTRs. Notable among these were Access Bank Ghana Ltd, Agricultural Development Bank, Standard Chartered Bank, Barclays Bank Ghana Ltd, Fidelity Bank Ghana Ltd, Merchant Bank Ghana Ltd, Ecobank Ghana Ltd and Prudential Bank Ltd.

The CTRs complimented the data used in the analysis of STRs filed to the Centre in establishing the flow of funds as well as the purpose of the transactions.

3.9.3 Strategic Trend Analysis of Reports from Other Sources.

A total of 782 crime cases were reported within the year 2013. Top on the list of cases reported locally was robbery, closely followed by fraud, theft, murder, forgery, narcotics, environmental crime and counterfeiting of pharmaceutical drugs.

It was observed that in all these cases in Ghana, no charges of money laundering were preferred against suspects in spite of the underlining predicated offences which impinge on ML. In the case of counterfeit/fake drugs and products, the items were seized and destroyed. No money laundering charges were also preferred against suspects.

Environmental crime was reported extensively especially within the period when the government set up a task force to flush out illegal Chinese nationals who had invaded a number of mining sites to engage in illegal mining, degradation of farm lands and pollution of river bodies. Again in such instances there were no charges of money laundering preferred against the suspect and their accomplices.

The trend observed for the year under review was not different from that reported in year 2012 during which the analysis was initiated. There is therefore the need to engage the LEAs and other competent authorities to strategise to bring all players involved in these illegal activities to book and the illegal proceeds earned confiscated to the state. It is also strongly canvassed that in line with Act 804, an Asset Management Office is established to properly manage tainted property pending confiscation.

3.10 Governance

3.10.1 Management

The governing body of the Financial Intelligence Centre, as stipulated in the Anti-Money Laundering Act, 2008(Act 749) is the eight- member Board of Directors consisting of seven (7) External Directors and one (1) Executive Director - the Chief Executive Officer (CEO).

The Board of Directors is appointed by the President and holds office for a period of four (4) years and may be eligible for re-appointment.

3.10.2 Board Training

A seminar on Corporate Governance was organised in July and December 2013 for the Board of Directors of the Centre. These seminars aimed at enabling the Board of Directors understand and appreciate the Principles of Corporate Governance, Appointment, Induction and Tenure of Directors, Functions and Responsibilities, Duties and Liabilities, Board Dynamics, Boardroom Conflict, Human Resources, Board – Chief Executive Officer Relationship and Public Procurement. The seminars were facilitated by the Institute of Directors, Ghana.

3.10.3 Staff Establishment

The FIC began the year with twenty (20) permanent staff comprising analysts, compliance officers, Legal Adviser/Board Secretary and other supporting staff. Seven seconded staff including six (6) from Bank of Ghana, and one (1) from the Economic and Organised Crime Office (EOCO) continued to remain at post.

To augment the state of staff, the FIC recruited four (4) additional staff including a Human Resource Officer, Analyst, Office Assistant and Access Control Officer bringing the total number of permanent staff to twenty-three (23) as of June 2013.

However, in the course of the year under review, one (1) staff resigned citing poor working conditions and low remunerations as reasons for his exit.

3.10.4 Staff Training

One of the objectives of the Centre for the year 2013 was to promote professional growth and development opportunities through improved employee recruitment, selection, retention and training processes as outlined in the unit's work plan for 2013.

As part of the FIC's efforts to empower its workforce to be up to speed with their tasks, nine (9) members of staff participated in the under listed locally organised training sessions covering the following areas:

- Cyber Crime Security
- Email and File Encryption

- Risk Based Approach to Compliance
- West Africa Regional Anti-Corruption Workshop
- Fundamental Investigative Criminal Analysis
- Primary Investigative Criminal Analysis
- Financial Investigative Techniques
- Workshop for Forex Bureaux Operators
- Financial Investigations
- Analysts Exchange Workshop

Staff knowledge update sessions were facilitated by the Administration Unit to enable staff become abreast with current trends in IT procedure to prevent the network from cyber threats and attacks. Furthermore, twelve (12) members of staff benefited from foreign training. These training sessions were involved in the following areas:

- IBM i2 Analyst Notebook
- Electronic Crimes
- Academic Criminal Justice and Model Law Forum on Crimes
- Certified Anti-Money Laundering Officer
- Financial Crimes Detection
- Revised FATF Recommendations
- Principles and Methods of Evaluation and Analysis
- 3rd OECD Forum on Tax and Crime
- Strategic Leadership Development
- Improving Cash Transfers Reporting Regime in DNFPB Sector and Cross Border Cash/RNI Movements in North and West Africa.
- Prosecuting Economic and Financial Crimes and Asset Recovery
- Joint FATF/MENAFATF Experts' Meeting

Joint FATF/MENAFATF Experts' Meeting

The FIC sponsored a participant to make a presentation on **“ML/TF RISKS ASSOCIATED WITH GOLD PRODUCTION, MOVEMENT, MARKET AND TRADE”** on behalf of GIABA at a meeting held from 2nd - 4th December 2013 in Doha, Qatar. All the participants of the meeting applauded the FIC's representative. Below are the remarks by the Director of Research and Planning, GIABA after the presentation:



“I wish to thank you for sending a participant to participate and contribute to the Gold typologies project here in Doha. Having witnessed his presentation and the huge appreciation that followed it, I feel obliged to give you a feedback and thank you for sending the right person to participate. He exhibited confidence and sufficient knowledge which made us at GIABA very proud. Once again, thank you for your cooperation”. - Mu’azu Umaru

Doha, Qatar. December 2013

3.10.5 Special Training/Mentoring

The Centre in collaboration with the Nigerian Financial Intelligence Unit (NFIU) organised an in-house mentoring programme as part of technical assistance for the staff of the Compliance and Outreach Directorate in May 2013.

The Centre again in collaboration with the Financial Crimes Enforcement Network (FinCEN) of the USA organised an Analysts Exchange Programme for analysts of the Centre and specialists from selected Law Enforcement Agencies (LEAs) in September 2013. This programme aimed at forging

institutional cooperation and providing more insight into the operations of the Centre as well as the respective roles LEAs in the AML/CFT measures in Ghana LEAs need to play.

3.10.6 Certified Anti-Money Specialist (CAMS) Certification

As part to measures to equip the staff of the Centre to better play their roles in the fight against transnational organised crime, four (4) analysts were sponsored to write the qualifying examination of the Certified Anti-Money Laundering Specialist (CAMS) body and passed.

3.10.7 Management Retreat

The Chief Executive Officer and Heads of Units/Directorates participated in a three-day retreat at Swedru in September 2013 to discuss the Centre's Strategic and Work plans and set targets for 2014. A Management Consultant, from the Institute of Directors, Ghana was invited to take the team through the preparation and implementation of Work plans and Performance Targets Setting.

3.10.8 Management Training

Institute of Directors, Ghana met with the Heads of Units/Directorates at the Centre in October 2013 to discuss the modalities of Staff Performance Appraisals.

CHAPTER FOUR

4.0 ACHIEVEMENTS, CHALLENGES AND PROSPECTS

4.1 GENERAL OVERVIEW

Ghana remains committed to the fight against ML/TF and other transnational organised crime. The year 2013 began with the ICRG/FATF team visiting Ghana from 14th – 18th January, 2013 as part of their process to fully delist Ghana from the FATF black list.

The seven (7) member FATF team held meetings with His Excellency the President of the Republic of Ghana, the Leadership of Parliament, the Judiciary, members of the Inter-Ministerial Committee on AML/CFT, the Ministry of Justice and Attorney General's Department, the Financial Sector Regulators, the Executives of Ghana Association of Bankers, Law Enforcement Agencies, the Economic and Organised Crime Office and the National Security Council Secretariat.

Generally, the team was satisfied with all the action points agreed upon between the authorities of Ghana and FATF, except Ghana's obligations under the United Nations Security Council Resolutions (UNSCRs) 1267(1999), 1373(2001), 1718 (2006) and 1737 (2006). To ensure compliance therefore, Executive Instrument (E.I.) 2, 2013 was enacted in February 2013 for the implementation of the above mentioned UNSCRs, Successor Resolutions and other relevant Resolutions.

Subsequently, during its plenary meeting in Paris in February 2013, the FATF decided that Ghana would no longer be subjected to the ICRG monitoring process.

4.2 ACHIEVEMENTS

The year 2013 started on a good note, as the FATF confirmed Ghana's removal from the Blacklist.

FATF in its public statement stated that it welcomed Ghana's significant progress in improving its AML/CFT regime and noted that Ghana had established the legal and regulatory framework to meet its commitment in its Action Plan regarding the strategic deficiencies that the FATF had

identified in October 2010. Ghana was therefore ***no longer subjected to FATF's monitoring process under its on-going global AML/CFT compliance process.*** What remained was for Ghana to continue to work with the GIABA as it continues to address the full range of AML/CFT issues identified in its Mutual Evaluation, to solidify the gains made and to sustain the momentum of stakeholders' commitment to fight the menace.

4.2.1 Legal Matters

In addition to the laws that existed in the year 2012, the FIC in collaboration with the Ministry of Justice and Attorney-General's Department (MOJAG) and other stakeholder institutions influenced the enactment of Executive Instrument 2, 2013 to make Ghana's AML/CFT regime more robust. Again, the Companies (Amendment) Bill was reviewed and inputs submitted.

4.2.2 GIABA 19th Technical Commission/Plenary Meeting

Ghana successfully hosted the 19th Technical Commission/Plenary and the 12th GIABA Ministerial Committee (GMC) Meetings from 7th to 10th May 2013. In attendance at the opening ceremony of the GMC were the President of the Republic of Ghana, H.E. Mr. John Dramani Mahama, H.E. (Dr.) General Yakubu Gowon, former Head of State of the Federal Republic of Nigeria, Vladimir Nechaev, Vice President of FATF, Ministers of State, among several state dignitaries. It is worth mentioning that it was the first time a sitting Head of State of ECOWAS attended a GMC meeting. Below are two (2) of the speeches read during the opening ceremony of the 19th Technical Commission/Plenary and 12th GMC.



4.2.2.1 Welcome Address by GIABA National Correspondent, Mr. Samuel Thompson Essel, at the Opening Ceremony of the 19th Plenary Meeting of the Technical Commission of GIABA at the Accra International Conference Centre, Accra on May 9, 2013.

Honourable Minister for Justice and Attorney General

Your Excellency Director-General of GIABA

Your Excellencies, Members of the Diplomatic Corps

Colleague Heads of Financial Intelligence Units/Centifs

Friends from the Media

Distinguished Ladies and Gentlemen

Permit me to seize this opportunity to extend to you, our treasured guests, the warm Ghanaian hospitable welcome of 'akwaaba,' and 'sanukudezua.' It is a great honour

meshed in humility and pleasure for me to welcome you all to the Accra International Conference Centre where Ghana is privileged to host the 19th Plenary Meeting of the Technical Commission of GIABA.

Ladies and Gentlemen, it would be recalled that the last time Ghana was privileged to host such Meeting was in May 2008. Plenary Meetings of GIABA have underscored one cardinal thing, that is, the demonstration of the benefits of collaboration and the powers of cross fertilization of ideas. GIABA Plenary Meetings are platforms for member States to share experiences and discuss relevant issues that require a concerted, collective and harmonized approach in the implementation of robust anti-money laundering/countering the financing of terrorism (AML/CFT) measures in the West African sub-region.

Your Excellency, we in Ghana highly regard the hosting of this Plenary Meeting and rightly so as it is compatible with our mission of protecting the Ghanaian economy from the scourge of money laundering and terrorist financing for the enhancement of national and global economic stability and growth.

Distinguished Ladies and Gentlemen, our sub-region today is a theatre being watched by the whole world. International concern is focused on the growing incidence of organised crime, corruption and terrorism and the debilitating effects these problems have on peace, security and development of our sub – region signal the need for concerted action.

Your Excellencies, it is against this background that the FIC, Ghana together with my colleagues in the sub-region are poised to fight transnational organised crime including money laundering, terrorism financing and financing the proliferation of weapons of mass destruction.

We have identified predicate crimes such as corruption, drug trafficking, tax evasion, human trafficking and cyber crime (sakawa) as major offences that are gaining untoward notoriety in our sub-region.

Distinguished Ladies and Gentlemen, we wish to assure you that we would make perpetration of such offences very unprofitable in our sub-region. If we do not strike and strike harder, criminals would create instability, re-ignite corruption and eventually take over

state power. We assure you that it shall be our duty to deploy legitimate physical compulsion, backed by law to deny criminals of proceeds of crime. We are the vanguard and shall pursue criminals with utmost alacrity.

Your Excellencies, permit me to thank all stakeholder institutions in the fight against money laundering and terrorism financing, particularly the Bank of Ghana, University of Ghana Business School, Banks, Civil Society Organisations and indeed the media whose vigilance and reportage have awakened the awareness of anti-money laundering and countering the financing of terrorism in Ghana.

It is thus our fervent hope that this forum provides the necessary platform for fruitful discussion; enhance our collaboration and coordination, share knowledge and lessons toward insulating our sub-region from criminal activities.

With these few remarks, I would like to once again welcome you all to this importing Meeting and wish us all a very fruitful deliberation.

Thank you very much,

Merci beaucoup,

Muito obrigado.

Press Conference chaired by Hon. Ato Forson, Deputy Minister for Finance at the press briefing during the plenary in May 2013, Accra Ghana. Seated at the Deputy Minister's right is the Director-General of GIABA, Dr. Abdullahi Shehu and his left is the National Mr. S. T. Essel.



As part of the 19th Technical Commission/Plenary, the Ministry of Finance held a press briefing to sensitise the public on the objects of GIABA and the role of the Inter-Ministerial Committee (IMC) on AML/CFT has been playing towards ensuring a robust AML/CFT regime in Ghana. Present at the meeting were Hon. Ato Forson, Deputy Minister for Finance, Hon Alex Segbefia, then member of the IMC, Dr. Abdullahi Shehu, Director-General of GIABA, Mr. S. T. Essel, CEO of FIC and National Correspondent of GIABA and the media. The press were satisfied with the measures taken by GIABA and the Government to confront transnational organised crime.

The President of the Republic of Ghana, H.E John D. Mahama, in a handshake with H.E. (Dr.) General Yakubu Gowon, former Head of State of the Federal Republic of Nigeria at the opening of the GMC in May 2013. At the Extreme right is Mr. Vladimir Nachaev, Vice President of the Financial Action Task Force (FATF).





4.2.2.2 Welcome Address delivered by the Director-General of GIABA, Dr. Abdullahi Shehu, on the occasion of the 12th GIABA Ministerial Committee Meeting, held on Saturday, May 11, 2013 at the La Palm Beach Hotel, Accra, Ghana.

*Your Excellency, John Dramani Mahama, President of the Republic of Ghana,
Your Excellency, General (Rtd) Yakubu Gowon, former Head of State of Nigeria and
Founding Father of the ECOWAS,
Honourable Chairman of the GMC,
Honourable Ministers,
Heads of Government Institutions and Agencies,
The Vice-President of the FATF,
Excellencies, Members of the Diplomatic Corps,
Distinguished invited Guests,*

Ladies and Gentlemen of the Press,

It is with great honour and humility that I welcome HE John Dramani Mahama, President of the Republic of Ghana in his country, but to the 12th GIABA Ministerial Committee meeting holding here at the La Palm Beach Hotel in Accra. Your Excellency, Mr. President, permit me to also welcome one of the great leaders of Africa, a statesman par excellence, and founding father of our Economic Community of West African States (ECOWAS), H.E. General Yakubu Gowon, who out of his usual humility and service to Africa and in particular to ECOWAS, graciously accepted our invitation to attend the opening session of this Ministerial Committee Meeting. Permit me also, Mr. President, on behalf of all members of GIABA and on my own behalf, to welcome the Honourable Ministers, the Vice President of the Financial Action Task Force (FATF), Members of the Diplomatic Corps and other invitees to the 12th GIABA Ministerial Committee Meeting.

This event would not have been possible, but for the high level support of HE the President of the Republic and Government of Ghana. Permit me therefore, to express my profound gratitude to His Excellency, for his personal presence at this event in spite of his very tight schedule. Your Excellency's presence here to officially declare the 12th Session of the GIABA Ministerial Committee meeting open is a strong demonstration of your personal commitment, as well as the commitment of the Government of the Republic of Ghana to the implementation of acceptable international Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) measures in your country. We are grateful to you and your Government for the active support given to GIABA in organizing this event. Permit me also, Your Excellency, to take some time at this juncture, to congratulate Ghana for the tremendous efforts made by the Government of Ghana in addressing the strategic deficiencies identified in the country's anti-money laundering and combating the financing of terrorist regime, especially those deficiencies identified by the FATF International Cooperation Review Group (ICRG). The commitment of the Government of Ghana was evidenced by the effective actions taken by your country, including the passage of the

relevant laws, issuance of necessary regulations for the financial sector and the establishment of a Financial Intelligence Centre (FIC). The establishment of a Financial Intelligence Centre is a major requirement in the AML/CFT framework. It is a national unit or centre mandated to receive, analyze and disseminate financial intelligence, thus, facilitating good investigation and prosecution of offenders.

I am particularly delighted to note that the FIC of Ghana, though among the first generation in the region, has been well established by law and is fully staffed and sufficiently funded. The progress recorded by the FIC in AML/CFT within this short time of its establishment is quite remarkable and I commend the Minister of Finance and the Chief Executive Officer of the FIC, Mr. Samuel Thompson Essel, in particular, who is also our National Correspondent in Ghana, for his dedication, commitment and professionalism. These actions led to Ghana's removal from the FATF Public Statement in February 2013. Ghana's achievement, no doubt, serves as an example to other jurisdictions both within and outside our region who are still under the FATF/ICRG review process. Once more, Your Excellency, congratulations!

I wish to thank all the dignitaries that have accompanied His Excellency to this meeting and further express my appreciation to the GIABA line Ministers of Finance, Justice and Interior for their continued support. Let thank in particular, the Minister of Finance of Ghana and his colleagues, for providing the necessary assistance and support to our National Correspondent for the successful hosting of the series of meetings we have been holding in this beautiful city and the Accra International Conference Centre for the past six days, Indeed, we appreciate the excellent facilities put at our disposal for the effective conduct of our statutory meetings.

One of the main thrusts of the objective of GIABA is to undertake mutual evaluation of Member States based on the FATF Recommendations to determine their compliance with acceptable international standards against Money Laundering and Terrorist Financing. In 2006, at its 4th session held in Cotonou, the Republic of Benin, the GIABA Ministerial

Committee approved an Onsite Mutual Evaluation Calendar for this exercise. The evaluations are based on the laws, regulations and other materials supplied by the authorities of the member States and information obtained by the evaluation teams during the onsite visits.

Your Excellencies, distinguished ladies and gentlemen,

Over the past eight years of its operation GIABA has formulated a clear Vision for its action, an overall Mission statement, and a set of Core Values to guide its commitment. Two Strategic Plans were developed and implemented while a third Plan covering 2011-2014 is in its mid-term implementation. With regard to our programme approach, GIABA had to proceed in a structured, disciplined way. It was thus decided to actively undertake a programme of technical assistance delivery to member States as mandated by the ECOWAS Authority.

The organization has thus been able to provide concrete assistance in a number of critical domains, such as the preparation of appropriate legislation and legal training; the establishment of FIUs; the provision of threat assessments and the determination of risk; the establishment of active in-country AML/CFT committees; the conduct of culture-specific typologies exercises; the provision of information and advocacy regarding ML & FT; the monitoring and evaluation of AML-specific activities and systems; investigative and prosecutorial capacity enhancement; as well as intra-regional and international coordination.

With an increasing number of talented staff on board, with the active technical support of FATF and other international partners, GIABA has been able to build up a pool of expertise in most areas related to AML/CFT. Through its numerous activities in the member States, GIABA has been able to build up an infrastructure and a knowledge base in West Africa, where there was none before. Awareness of the issue among country leaders and other decision-makers has in fact been increased exponentially.

The impact of GIABA's action on the incidence of ML or FT is difficult to determine precisely. However, via the Mutual Evaluation exercise, it has become clear that the effort has begun to bear fruit. I am delighted to report that the greatest achievement of GIABA from 2006 to 2013 has been the successful conduct of the evaluations of all 15 ECOWAS member States, including Sao Tome and Principe that was admitted last year as a member of GIABA. With the adoption of the MER of Sao Tome and Principe during our Technical Commission meeting yesterday, GIABA has concluded its First Round of Mutual Evaluations of its member States. All these and many other achievements of GIABA have been documented and will be presented to the public shortly at this opening session. The Annual Report of GIABA evidences its accountability to member States. The 2012 Report will also be presented very soon.

Your Excellencies, ladies and gentlemen,

This Ministerial Committee (GMC) is the highest policy making body for the operations of GIABA. Its main function is to examine the reports and recommendations made to it by the Technical Commission or directly from the Secretariat. Accordingly, during this meeting, the Ministerial Committee will consider the Summary Mid-Year Report of the Director General, which highlights the programmes and activities carried out by GIABA within the last six months. It will also consider the report of the 19th Technical Commission meeting, together with the report on the Mutual Evaluation of STP.

In conclusion, I wish to thank our Ministers for coming to this meeting. Let me recall that during the last meeting you held in Abidjan in May 2012, I highlighted the challenges facing most countries in the efforts to implement acceptable international standards, prevent and control the twin scourges of ML and TF. Most of these challenges still remain, including:

- Inadequate political will to adopt and implement robust AML/CFT regimes.*
- Inadequate resources and competing priorities in terms of funds and skilled manpower on the part of both the regulators and the operators.*

- *Low absorptive capacity in terms of ability to adequately utilize funding and technical support, reflecting deficiencies in AML/CFT regimes and a dearth of skilled AML/CFT personnel.*
- *Inadequate inter-agency cooperation and coordination, resulting in regulatory arbitrage and ineffective implementation of AML/CFT measures.*
- *Lack of diligent investigation and prosecution, which hampers speedy delivery of justice on the one hand and makes for a very slow judicial process on the other. These have led to a relatively low number of convictions.*
- *The prevalence of corruption, which facilitates and supports ML/TF; and*
- *The “backwash” effects of globalization and internationalization, which afford criminals the economic space and the technology to execute their transactions on a massive scale and almost without detection, against the limited capacity of competent law enforcement authorities in the region.*

All these require your strong support to our National Correspondents in your respective countries to implement the agreed action plans with regard to the MERs. I trust that we can continue to count on your usual support and cooperation. Our task is to support member States to implement robust AML/CFT regimes and not to replace them. The real impact of our efforts at the regional level cannot be measured without concrete evidence of change at the national level. On this note, I call on you, honourable Ministers, for stronger political commitment and support.

I thank you for your kind attention!

Merci pour votre attention!

Muito obrigado pela vossa atenção!

Group picture of the President of the Republic of Ghana, H.E. John D. Mahama and some of the dignitaries at the 12th GIABA Ministerial Committee Meeting on 11th May, 2013.



4.2.3 Governmental Expert for UNCAC

The Government of Ghana appointed the CEO of the Financial Intelligence Centre as a Governmental Expert for United Nations Convention against Corruption [(UNCAC) Merida Convention] implementation review in May, 2013. The role of the Governmental Experts is to peer review other state parties' implementation of the UNCAC in accordance with relevant provisions of the UNCAC and the Terms of Reference (TOR) including guidelines for Governmental Experts and the Secretariat in the conduct of the review.

Subsequently, the Centre participated in the preparation for the United Nations Convention against UNCAC's onsite visit to Ghana in November 2013. The meeting reviewed Chapter 3 on **"Criminalisation and Law Enforcement"** and Chapter 4 on **"International Cooperation"** of the Merida Convention.

4.2.4 EGMONT Group

The Centre continued to work with Ghana's co-sponsors to the EGMONT Group- FinCEN and NFIU - to ascertain international standardization for admission into the prestigious EGMONT Group of Financial Intelligence Units. Following Ghana's prequalification for admission into the EGMONT Group in 2012, Ghana was granted Observer Status by EGMONT.

4.2.5 International Cooperation

Though the FIC was working towards admission into the EGMONT Group of FIUs, the Centre continued to exchange information with a number of foreign counterparts for intelligence purposes only pursuant to Recommendation 40 and Section 5(c) of Act 749. Such information spontaneously disseminated cannot be passed on to third parties without the express permission of the FIC. The Centre exchanged information with its counterparts in the Republic of Benin, Germany, Italy, the Netherlands and the Republic of South Africa with successful outcomes.

Furthermore, the need for international cooperation is very paramount in view of Ghana's strategic geographical location and the growing investor interest in the mining and oil industries. Consequently, in furtherance of its mandate under Section 5 (c) of Act 749, the FIC executed Memoranda of Understanding (MOUs) with two (2) regional counterparts in November 2013. These were the UIAF of Cabo Verde and Centif of the Guinea-Bissau.

4.2.6 Training for Judges

The FIC facilitated a workshop/training for some Justices of the Superior Courts on **"AML/CFT Awareness and Legal Framework"** at the Judicial Service Training Institute on 14th October 2013. The participants included His Lordship Sir Dennis Adjei, the President of the Association of Judges and Magistrates, as well as some newly appointed High Court Judges.

4.2.7 Chief Justice's Administrative Directive

The FIC observed that beneficiaries of funds that were frozen on suspicion of ML and later de-frozen by the courts robbed the state by not paying taxes on such funds. The Centre therefore

made a recommendation to the Chief Justice, who in June 2013 issued administrative directives to the courts, approving the Centre's recommendation on tax deductions of de-frozen funds by the courts. The administrative directives to the courts were to order:

- i. the GRA to assess the tax liabilities of the beneficiaries and
- ii. that before the bank releases the funds the assessed tax liability should be paid to the state.

4.2.8 AML/CFT Workshop for CMOs

The Centre sponsored a two-day AML/CFT sensitisation workshop /training for all the Capital Market Operators (CMOs). In attendance were 69 AMLROs who were sensitised on their roles and obligations under the Act, Regulation and the Compliance Manual on AML for Capital Markets. The Centre used the opportunity to inform the CMOs on the need to form a forum of AMLROs who would meet regularly to address similar AML/CFT issues confronting their various institutions.

The maiden CMOs Anti-Money Laundering Reporting Officers (AMLROs) Forum was also held.

4.2.9 AML/CFT Workshop for LEAs

The Centre in conjunction with the Criminal Investigation Department (CID) of the Ghana Police Service organised a three-day AML/CFT Sensitization Workshop and Financial Investigative Techniques training for the Anti-Human Traffic Unit of the CID.

Further, in conjunction with the BoG, the Centre facilitated a one-month AML/CFT Sensitisation Workshop and Financial Investigative Techniques training for newly recruited officers of the EOCO at the Bank of Ghana's Centre for Professional Development in November 2013.

The 140 staff officers in attendance were exposed to the effects of the menace of ML/TF, corruption, illicit funds flow and other trans-national organised crime. The need for institutional collaboration and coordination was also emphasised during the training sessions.

4.2.10 AML/CFT Outreach Programmes

The Centre continued to sensitise/train boards, top management and staff of Banks, Rural/Community Banks, selected Savings and Loans Companies, Insurance Companies, Gaming Commission, NBFIs and GREDA and discussed their obligations under the Act, Regulation and AML/CFT Guideline for Banks/Non-Bank Financial Institutions. As part of this exercise, the Centre printed and disseminated AML/CFT flyers to create the necessary awareness on AML/CFT and the FIC's Role to the general public.

4.3 CHALLENGES

In spite of the progress made, there remained serious lacunae in the country's AML/CFT regime that require further assistance and effort to fill. Two (2) main obstacles to effective implementation of AML/CFT measures in Ghana were weak enforcement and the low capacity of regulatory authorities. The FIC operated during the year under review amidst a gamut of challenges enumerated below.

4.3.1 Financial Resources

The Ministry of Finance's late release of budget approved for the Centre's operations did not augur well for planned activities to be undertaken. Coupled with this were the cumbersome procedures associated with accessing funds to run the Centre's business.

4.3.2 Remuneration Package

Unattractive conditions of service for the personnel of the FIC were a major hindrance to attracting and maintaining qualified staff at the Centre. During the year under review, the Centre was hit with the resignation of a key management staff who cited poor working conditions and low remunerations as reasons for his exit. Requests by Management for a review of the FIC's level submitted to the Fair Wages and Salaries Commission through the Ministry of Finance are yet to be responded to.

4.3.3 Office Space

The Centre conducted its operations from a limited space on the 10th floor of the Cedi House. Lack of adequate office space hindered the drive to employ more staff and to sustain the gains made so far in implementing Ghana's AML/CFT regime.

In her quest to improve on this situation the Centre acquired a parcel of land in 2011 at the Ridge Extension in Accra for the construction of an office complex. However, the project could not commence owing to lack of funds. The FIC would therefore appreciate support of donor partners in this regard.

4.3.4 Institutional Cooperation and Collaboration

The Centre during the year disseminated 252 Intelligence Reports to LEAs and other stakeholder institutions which have yielded no results so far as prosecutions, convictions and confiscations were concerned. The lack of prosecutions, convictions and confiscations by LEAs in Ghana's AML/CFT regime did not send the right signals to the FATF, GIABA and the international community. Perpetrators of crime however appeared content with the perceived ineffectiveness of the legal framework.

Inter-agency cooperation between the Centre and LEAs would be vital to sustain the momentum in the fight against ML/TF in the country. The effective operation of LECOB would serve as a deterrent to persons engaged in these menace and make ML/TF and other transnational organised crime unattractive.

4.3.5 Analytical Software

Owing to the surge in the number of reports filed to the Centre, the capacity of the current analytical software was inadequate.

An upgrade of the current software (Oracle Mantas) or acquisition of new software would improve the operations of both the Analysis and Compliance Directorate to a large extent. Again the lack of funds has hindered the achievement of this goal.

4.3.6 Outreach to DNFBPs and the General Public

The Centre could not undertake sensitisation and awareness creation activities among most of the institutions under the Designated Non-Financial Businesses and Professional (DNFBPs) and the general public as a result inadequate staff of the Compliance Directorate. The FIC hopes to tackle this sector in the coming years if staffing and other logistics improve.

4.4 WAY FORWARD

Ghana's enduring political stability, exemplary democratic consolidation and rapid economic growth suggest the need to evolve a robust AML/CFT regime. The dramatic progress the country made as a result of regional and international pressure and mentoring showed that Ghana had the capacity to attain compliance with acceptable international AML/CFT standards. What is required to mobilize this capacity efficiently and effectively is the sustenance of the current momentum and that the greatest political will is galvanized towards addressing the problem of effectiveness in the country's AML/CFT regime.

In this regard, the Centre is looking forward to the consideration and enactment of the Companies (Amendment) Bill, the Anti-Money Laundering (Amendment) Bill and the Extradition Bill. To complete Ghana AML/CFT legal and regulatory framework, the Real Estate Agency Bill which is being proposed by the Ministry of Water Resources, Works and Housing needs to be finalised to address matters relating to the nexus between ML and real estate development.

Furthermore, in line with Regulation 42 of the Anti-Money Laundering Regulations, 2011 (L.I. 1987), the FIC is focused on seeking membership of the Egmont Group of Financial Intelligence Units. The admission of the FIC into the Egmont Group would enhance the exchange of information with other FIUs for the purposes of combating ML/TF and other transnational organised crime.

Additionally, going forward, the FIC will seek to apply the following strategies to address some of the challenges it encountered during the year under review.

1. To apply more resources towards the training of staff of the Centre on topical issues, schemes and techniques in line with AML/CFT.
2. To create a forum to meet Compliance Officers of Accountable Institutions and LEAs officers and to discuss issues they encounter whilst filing of STRs and undertaking investigations to foster collaboration, efficiency and feedback.
3. To create more awareness among other AIs and the general public on Ghana's AML/CFT regime.
4. To encourage mandatory and regular meetings between the FIC and the Compliance Officers' Forum of banks and other accountable institutions.
5. To address remuneration package for employees of the Centre to reduce the alarming rate of staff turnover.
6. To train LEAs, Attorney-General's Department and the Judiciary to connect predicate offences charges to money laundering in order to take profit out of crime. This, the Centre believes will serve as a deterrent to the perpetrators of crime.
7. To undertake typology studies to reveal the various schemes adopted in money laundering. The Centre hopes to undertake at least one typology study each year to establish trends, risks and patterns of money laundering in the country and to provide feedback to competent authorities and other stakeholder institutions for policy formulation.

APPENDICIES



Appendix I

LIST OF ACRONYMS & ABBREVIATIONS

ABBREVIATION	MEANING
Als	Accountable Institutions
AML	Anti-Money Laundering
AUCD	Association of Used Car Dealers
BNI	Bureau of National Investigation
BoG	Bank of Ghana
CDD	Customer Due Diligence
Centif	Cellule Nationale de Traitement des Informations Financières
CEO	Chief Executive Officer
CFT	Combating the Financing of Terrorism
CIB	Chartered Institute of Bankers
CID	Criminal Investigation Department
CMOs	Capital Market Operators
CTR	Cash Transaction Report
CPI	Consumer Price Index
DNFBPs	Designated Non-Financial Businesses and Professions
DVLA	Driver and Vehicle Licensing Authority
EC	Electoral Commission
EOCO	Economic and Organised Crime Office
ECOWAS	Economic Community of West African States
EDD	Enhanced Due Diligence
FATF	Financial Action Task Force
FDIs	Foreign Direct Investments
FIC	Financial Intelligence Centre
FoP	Financing of Proliferation of Weapons of Mass Destruction
FinCEN	Financial Crimes Enforcement Network
FinSAP	Financial Sector Adjustment Programme

FinSSP	Financial Sector Strategic Plan
FIU	Financial Intelligence Unit
GBA	Ghana Bar Association
GDP	Gross Domestic Product
GIABA	Inter-Governmental Action Group against Money Laundering in West Africa
GIS	Ghana Immigration Service
GPS	Ghana Police Service
GRA	Ghana Revenue Authority
GREDA	Ghana Real Estate Developers Association
GSS	Ghana Statistical Service
ICA	Institute of Chartered Accountants
ICT	Information Communication Technology
IMC	Inter-Ministerial Committee on Anti-Money Laundering and Combating the Financing of Terrorism
IR	Intelligence Report
IT	Information Technology
KYC	Know Your Customer
LEAs	Law Enforcement Agencies
LECOB	Law Enforcement Coordinating Bureau
MER	Mutual Evaluation Report
ML	Money Laundering
MLA	Mutual Legal Assistance
MOU	Memorandum of Understanding
NACOB	Narcotics Control Board
NBFIs	Non-Bank Financial Institutions
NCA	National Communication Authority
NCCE	National Commission on Civic Education
NFIU	Nigeria Financial Intelligence Unit

NIA	National Identification Authority
NIC	National Insurance Commission
NPRA	National Pensions Regulatory Authority
NS/AP	National Strategy and Action Plan
OTA	Office of Technical Assistance
PMMC	Precious Minerals Marketing Company
RCBs	Rural and Community Banks
SEC	Securities and Exchange Commission
SIU	Special Investigative Unit
SMEs	Small and Medium Scale Enterprises
SOP	Standard Operating Procedure
SRB	Self Regulatory Body
STR	Suspicious Transaction Report
TF	Terrorist Financing
TUC	Trades Union Congress
UNSCR	United Nations Security Council Resolution

Appendix II

Business Information

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Ministry of Justice and Attorney-General's Department

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Accra

Ecobank Ghana Ltd

P. O. Box AN 16746

Accra- North

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Appendix III

Relevant AML/CFT Laws

The Constitution of the Republic of Ghana, 1992

Criminal Offences Act, 1960 (Act 29)

Narcotic Drugs (Control, Enforcement & Sanctions) Act, 1990 (PNDC Law 236)

Immigration Act, 2000 (Act 573)

Internal Revenue Act, 2000 (Act 592) as Amended / Value Added Tax

Foreign Exchange Act, 2006 (Act 723)

Anti-Money Laundering Act, 2008 (Act 749)

Anti-Terrorism Act, 2008 (Act 762)

Non-Bank Financial Institution Act, 2008 (Act 774)

Economic and Organised Crime Office Act, 2010 (Act 804)

Mutual Legal Assistance Act, 2010 (Act 807)

Anti-Money Laundering Regulations, 2011 (L. I. 1987)

Anti-Terrorism (Amendment) Act, 2012 (Act 842)

Executive Instrument (E. I. 8)

Anti-Terrorism Regulations, 2012 (L. I. 2181)

Immigration (Amendment) Act, 2012 (Act 848)

Criminal Offences (Amendment) Act, 2012 (Act 849)

Executive Instrument (E. I. 2)

Appendix IV

Relevant AML/CFT Websites

Local

Government of Ghana

www.ghana.gov.gh

National Security Council Secretariat

www.nscs.gov.gh

Financial Intelligence Centre

www.fic.gov.gh

Economic and Organised Crime Office

www.eoco.org.gh

Ghana Police Service

www.ghanapolice.info

Narcotics Control Board

www.nacob.gov.gh

Bank of Ghana

www.bog.gov.gh

National Insurance Commission

www.nicgh.org

Securities and Exchange Commission

www.secghana.org

National Pensions Regulatory Authority

www.npra.gov.gh

Foreign

Financial Action Task Force

www.fatf-gafi.org

United Nations Office on Drugs and Crime

www.unodc.org

International Monetary Fund

www.imf.org

Inter-Governmental Group against Money Laundering in West Africa

www.giaba.org

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Appendix V

List of Accountable Institutions

Banks

Non-Bank Financial Institutions

Insurance Companies

Capital Market Operators

Auctioneers

Lawyers

Notaries

Accountants

Religious Bodies

Non-Government Organisations

Money Transfer Businesses

Operators of Game of Chance

Real Estate Agents

Dealers in Vehicles

Trust and Company Service Providers

Appendix VI

List of Memoranda of Understanding and Dates

Local institutions

National Pensions Regulatory Authority – May 2013

Foreign Countries

Guinea-Bissau	-	November 2013
Cabo Verde	-	November 2013

Appendix VII

Executive Instrument 2 (E.I.2)

EXECUTIVE INSTRUMENT

E.I.2

INSTRUCTIONS FOR THE IMPLEMENTATION OF UNITED NATIONS SECURITY COUNCIL RESOLUTIONS 1267 (1999), 1373 (2001), 1718 (2006), 1737 (2006), SUCCESSOR RESOLUTIONS AND OTHER RELEVANT RESOLUTIONS

WHEREAS the Republic of Ghana has enacted the Anti-Money Laundering Act, 2008 (Act 749), the Anti-Terrorism Act, 2008 (Act 762) and the Economic and Organised Crime Office Act, 2010 (Act 804); the Anti-Money Laundering Regulations, 2011 (L.I. 1987); the Anti-Terrorism Regulations, 2012 (L.I. 2181) and the Economic and Organised Crime Office (Operations) Regulations, 2012 (L.I. 2183);

WHEREAS section 42 of the Anti-Terrorism Act, 2008 (Act 762) is to be read as one with the Criminal Offences Act, 1960 (Act 29);

WHEREAS the Republic of Ghana is committed to the fight against money laundering, financing of terrorism and financing the proliferation of weapons of mass destruction and other transnational organised crime;

NOW THEREFORE, in exercise of the power conferred on the Attorney-General and Minister for Justice by section 37A of the Anti-Terrorism Act, 2008 (Act 762) this Instrument is made this 15th day of February, 2013.

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Authorities for implementation

Implementation Committee

1. (1) There is established by this Instrument an Anti-Money Laundering and Counter Financing of Terrorism Inter-Ministerial Committee which is responsible for the implementation of the United Nations Security Council Resolutions 1267 (1999), 1373 (2001), 1718 (2006), 1737 (2006), Successor Resolutions and other relevant Resolutions.

(2) The Committee consists of

- (a) the Minister responsible for Finance and Economic Planning,
- (b) the Minister responsible for Foreign Affairs,
- (c) the Minister for the Interior,
- (d) the Attorney-General and the Minister for Justice,
- (e) the National Security Coordinator,
- (f) the Deputy Chief of Staff of the President, and
- (g) the Governor of the Bank of Ghana.

(3) The Minister responsible for Finance and Economic Planning is the chairperson of the Committee.

Functions of the Committee

2. (1) The Committee shall

- (a) establish and maintain a Domestic List;
- (b) perform the functions connected with the implementation of Security Council Resolutions 1267 (1999), 1373 (2001), 1718 (2006), 1737 (2006), Successor Resolutions and other relevant Resolutions according to the procedure provided for in these Instructions;
- (c) co-ordinate with competent authorities and authorised parties for the purposes of implementing the obligations under Security Council Resolutions 1267(1999), 1373(2001), 1718(2006), 1737(2006), Successor Resolutions and other relevant

Resolutions regarding, among others, the banning of travel, granting of visa and purchase of arms by the individuals, entities and organisations to whom the provisions of these Instructions apply; and

(d) supervise the implementation of the National Strategy and Action Plan on Combating Money Laundering, Financing of Terrorism and Financing of Proliferation of Weapons of Mass Destruction.

(2) The Committee may co-ordinate with the relevant regulatory agency, supervisory body, security and intelligence agency, law enforcement agency and any other persons concerned with the implementation of the provisions of these Instructions.

Powers of the Committee

3. The Committee has the powers connected with the implementation of Security Council Resolutions 1267 (1999), 1373 (2001), 1718 (2006), 1737 (2006), Successor Resolutions and other relevant Resolutions and may issue directives that are necessary for the implementation of these Instructions.

Establishment of sub-committees

4. (1) For the purposes of the implementation of these Instructions, the Committee shall establish a sub-committee to be known as the Law Enforcement Coordinating Bureau and may establish any other sub-committee that it considers necessary.

(2) The Bureau shall comprise one representative each of the following:

- (a) the National Security Council Secretariat;
- (b) the Bank of Ghana;
- (c) the Attorney General's Department;
- (d) the Bureau of National Investigation;
- (e) the Financial Intelligence Centre;

- (f) the Ghana Immigration Service;
- (g) the Economic and Organised Crime Office;
- (h) the Ghana Armed Forces;
- (i) the Ghana Police Service;
- (j) the Ghana Maritime Authority;
- (k) the Securities and Exchange Commission;
- (l) the National Insurance Commission;
- (m) the Ghana Revenue Authority;
- (n) the Ghana Airports Company Limited;
- (o) the Ministry responsible for Foreign Affairs.

(3) The Bureau shall be chaired by the National Security Co-ordinator.

(4) The Bureau is responsible for the day-to-day implementation of these Instructions.

(5) The Bureau shall perform any other functions that the Committee may direct.

Meetings of the Committee

5. The meetings of the Committee shall be conducted in the manner provided for in the Schedule.

Confidentiality

6. (1) A person who has information obtained in pursuance of these Instructions shall not disclose that information except with lawful authority.

- (2) For the purposes of subsection (1), information is disclosed with lawful authority only if and to the extent that
- (a) the disclosure is made by the Committee or authorised by the Committee,
 - (b) the disclosure is made by the designated person or made with the consent of the designated person,
 - (c) the disclosure is necessary to give effect to a requirement imposed under or by virtue of these Instructions or any other enactment, or

(d) the disclosure is required by the Committee or order of the High Court.

(3) This section does not prevent the disclosure of information that is, or has been available to the public from other sources.

(4) The High Court may

(a) on the application of the designated person who is the subject of the information, or

(b) on the application of the Minister, grant an injunction to prevent a breach of subsection (1).

Dissemination of United Nations Sanctions List

Listing or de-listing of terrorist individual, entity or Organization

7. (1) The Minister responsible for Foreign Affairs shall, in accordance with regulation 5(1) of the Anti-Terrorism Regulations, 2012 (L.I. 2181), without delay, forward to the Minister the listing or de-listing of any individual, entity or organisation by the United Nations Security Council in accordance with Chapter VII of the United Nations Charter as subject to financial sanctions or other restrictions related to terrorism or proliferation of weapons of mass destruction and particularly to the freezing of assets.

(2) The Minister shall, in accordance with regulation 5(2) of the Anti-Terrorism Regulations, 2012 (L.I. 2181), without delay, disseminate the information specified in subsection (1), to competent authorities and cause the listing or de-listing of a terrorist individual, entity or organisation under any United Nations Sanctions regime to be published in the *Gazette*.

(3) For the purposes of these Instructions, competent authorities include

(a) the Bank of Ghana;

(b) the National Insurance Commission;

(c) the Securities and Exchange Commission;

- (d) the Customs Division of the Ghana Revenue Authority;
- (e) the Ghana Immigration Service;
- (f) the Ghana Real Estate Developers Association;
- (g) the General Legal Council;
- (h) the Institute of Chartered Accountants;
- (i) the Gaming Commission;
- (j) the Precious Minerals and Marketing Company;
- (k) the Financial Intelligence Centre;
- (l) the Narcotics Control Board;
- (m) the Economic and Organised Crime Office;
- (n) the Ghana Police Service;
- (o) the National Security Council Secretariat; and
- (p) any other institution that the Minister may determine.

(4) A competent authority shall, in accordance with regulation 5(4) of the Anti-Terrorism Regulations, 2012 (L.I. 2181), without delay, inform and direct authorised persons which or who the competent authority supervises, represents or licenses to, without delay, review their records to determine whether the authorised person is holding funds or assets of a designated person and freeze those funds or other assets without delay.

Freezing Measures

Power of the Centre to freeze terrorist funds and other assets

8. (1) Without limiting section 7 of this Instrument, the Chief Executive Officer of the Centre shall, on receipt of the United Nations Consolidated List, as a preventive measure, through an order in written form, electronic mail or any other means of communication, cause to be frozen without delay the funds and other assets of a designated person on the List and ensure that no funds or other assets are made available, directly or indirectly, to or for the benefit of that designated person.

(2) The freezing of funds or other assets at the instance of the Chief Executive Officer of the Centre is valid for seven days and shall extend to

- (a) funds or other assets wholly or jointly owned or controlled, directly or indirectly, by a designated person, a terrorist, a person who finances terrorism or a terrorist organisation; and
- (b) funds or other assets derived or generated from funds or other assets owned or controlled directly or indirectly by a designated person, a terrorist, a person who finances terrorism or a terrorist organisation.

(3) The Chief Executive Officer of the Centre shall, without delay, report the freezing to the Attorney-General and Minister for Justice.

(4) The Minister shall, within forty eight hours after receipt of the report from the Chief Executive Officer, apply by motion ex-parte for an order from the High Court under regulations 5 (6) and 6 (1) of the Anti-Terrorism Regulations, 2012 (L.I. 2181) for the freezing of the funds of the designated person under section 5 (2) of the Anti-Terrorism Act, 2008 (Act 762) and the High Court shall, on hearing the motion, order the freezing of the funds.

(5) Where the High Court issues an order to freeze funds and other assets of a designated person, the Minister shall, without delay, inform the competent authorities, including the Minister responsible for Foreign Affairs and, without delay, publish the order in the *Gazette*.

(6) The Minister responsible for Foreign Affairs shall, without delay, submit a report to the relevant Sanctions Committee on the freezing of funds and other assets of a designated person.

(7) The Centre shall disseminate information on the action taken to local and foreign competent authorities, including Financial Intelligence Units and other entities, who are responsible for counter-terrorism and counter-financing of terrorism matters.

(8) In this Instrument, a freezing order by the Court made in furtherance of a United Nations Consolidated List shall be for an indeterminate duration unless the inclusion of an affected party in the United Nations Consolidated List is successfully challenged by that affected party at the United Nations or that party is de-listed by the United Nations.

(9) In this Instrument, a freezing of funds or other assets at the instance of the Centre shall lapse immediately after the High Court has issued the Order to freeze the funds or other assets, and not later than after the publication of the Order in the *Gazette*.

Freezing of funds or other assets

9. Where an authorised person receives the United Nations Consolidated List, the authorized person shall, where applicable, without delay and without prior notice to the designated person or any other person that may be associated with the designated person

(a) review its records to determine whether the authorized person is holding funds or other assets of the designated person and, without delay; freeze those funds or other assets,

(b) take any other action that will give effect to the United Nations Security Council Resolutions 1267, 1373, 1718, 1737, successor Resolutions and other relevant Resolutions, and

(c) submit a written report regarding the frozen funds or other assets, as well as other action taken on receipt of the List to the Centre and the Committee.

Denial of access to frozen funds or other assets

10. (1) A person shall not make any funds or other assets that are frozen available, directly or indirectly, to or for the benefit of a designated person.

(2) For the purposes of subsection (1)

(a) funds or other assets are made available for the benefit of a designated person if that designated person obtains, or is able to obtain, a significant financial benefit, and

(b) "financial benefit" includes the discharge of a financial obligation for which the designated person is wholly or partly responsible.

(3) Subsection (1) does not apply to any portion of frozen funds or other assets that have been determined by the Sanctions Committee to be necessary for

(a) basic expenses, including payments for foodstuffs, rent or mortgage, medicines and medical treatment, taxes, insurance premiums, and public utility charges, or exclusively for payment of reasonable professional fees and reimbursement of incurred expenses associated with the provision of legal services, or fees or service charges for routine holding or maintenance of frozen funds or other financial assets or economic resources, after the Minister has given notice to the Sanctions Committee of the intention to authorise, where appropriate, access to those funds, assets or resources and in the absence of a negative decision by the Sanctions Committee within forty-eight hours of the notice; or

(b) extraordinary expenses, provided that notice of the determination has been given by the relevant Minister to the Sanctions Committee and the determination has been approved by the Sanctions Committee.

Dealing with funds or other assets

11. (1) A person shall not deal with funds or other assets owned, held or controlled by a designated person if the person knows, ought to know or has reasonable cause to suspect, that the person is dealing with funds or economic resources of a designated person.

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- (2) For purposes of subsection (1) "deal with" means
- (a) in relation to funds,
 - (i) use, alter, move, allow access to, or transfer, the funds,
 - (ii) deal with the funds in any other way that would result in a change in their volume, amount, location, ownership, possession, character or destination, or
 - (iii) make any other change that would enable use of the funds, including by way of, or in the course of, portfolio management, or
 - (b) in relation to other assets, exchange, or use in exchange, for funds, goods or services.

Exceptions

12. (1) The restrictions in sections 10 and 11 do not apply if the person credits a frozen account with

- (a) interest or other earnings due on the account,
- (b) a payment due under a contract, an agreement or an obligation that was concluded or arose before the freezing of the account, or
- (c) a payment in favour of a designated person, where the interest, other earnings and payments are subject to the assets freeze.

(2) The restrictions in sections 10 and 11 do not prevent a relevant institution from crediting a frozen account where it receives funds transferred to the account.

(3) The restriction in section 11 is not contravened where a payment

- (a) is a benefit under or by virtue of a relevant enactment irrespective of the name or nature of the benefit, and
- (b) is made to a person who is not a designated person, whether or not the payment is made in respect of a designated individual terrorist, entity or organisation.

(4) A competent authority shall, without delay, inform the Committee and the Centre if the competent authority credits a frozen account with a payment referred to in subsection (1)(b) or in the circumstances referred to in subsection (2).

Authorisation of access to frozen funds for basic expenses

13. (1) The Court may, on application by a person affected by a freezing order, make an order to authorise access to the frozen funds or assets where the Court is, ' on reasonable grounds, satisfied that the access is required, to provide for

- (a) the reasonable living expenses of the person; or
- (b) a specified public debt incurred in good faith by the person.

(2) The reasonable living expenses of a person affected by a freezing order include

- (a) the reasonable living expenses of the dependants of that person; and
- (b) the reasonable basic expenses of the person such as the payment of Court fees and service charges.

(3) The court shall not exercise its discretion to exclude an amount unless it is satisfied that the person cannot meet the expenses out of funds or other assets that are not subject to the freezing order and the court determines that it is in the interests of justice to make that exclusion.

Procedure for challenge of freezing order

14. (1) A person aggrieved by a freezing order made under section 8 may submit a petition, for the name of the person to be removed from the United Nations Consolidated List, to the relevant Sanctions Committee or the focal point or Office of the Ombudsperson appointed by the Secretary-General of the United Nations for a review of the decision.

(2) On removal by the United Nations of the name of a designated person from the United Nations List, the designated person may, on giving prior written notice to the Minister and the Chief Executive Officer of the Centre, apply to Court for a revocation of the freezing order.

(3) Where the Court determines that a person or entity on the United Nations Consolidated List has been de-listed by the United Nations, the Court shall revoke the freezing order.

(4) Where the Court revokes the freezing order, the Chief Executive Officer of the Centre shall direct any institution, business or individual that has custody of frozen funds or other assets belonging to the designated person to unfreeze the funds or other assets of the designated person.

Matters relating to third party requests

Third party requests

15. (1) The Minister is responsible for receiving third party requests, identifying and assessing candidates for listing.

(2) An individual, a foreign or international entity or organisation, referred to in this Instrument as a third party, that has reasonable grounds to believe that a person, entity or organisation deserves to be listed as a designated person may request the Minister through the Minister responsible for Foreign Affairs to cause that person to be listed as a designated person.

(3) Where the Minister responsible for Foreign Affairs receives a request from a third party for listing of a person or organisation as a designated person, the Minister responsible for Foreign Affairs shall, by written and electronic means, without delay inform the Minister of the request.

(4) The Minister shall after receipt of the information, without delay forward the information by written and electronic means to the Centre and direct the Chief Executive Officer, as a preventive measure, to cause the funds and other assets of the person, entity or organisation to whom or to which the request relates to be frozen for seven days.

(5) The Minister shall, in accordance with section 19 of the Anti-Terrorism Act, 2008 (Act 762), apply to the High Court without prior notice to the person, entity or organisation against whom the request has been made for an order to

(a) declare the person, entity or organisation to be a designated person, and

(b) confirm the freezing of funds and other assets of the designated person.

(6) Where the Court declares a person, entity or organisation to be a designated person, the Minister shall, after the declaration, without delay, place the name of the designated person on the Domestic List.

(7) Where the Court issues an order to confirm the freezing of funds and other assets of a designated person, the Minister shall, without delay inform the Minister responsible for Foreign Affairs of the order and publish the order in the *Gazette*.

(8) For the purposes of subsection (7), a freezing order by the Court in respect of a third party request shall be for an indeterminate duration unless

(a) the person who has been determined to be a designated person as a result of the third party request successfully challenges the designation in Court, or

(b) the third party requests that the name of the designated person be removed from the list.

(9) The Minister responsible for Foreign Affairs shall, without delay, inform the competent authority of the third party and the Sanctions Committee on the designation of individuals, entities and organisations as designated persons and the freezing of the funds and other assets of designated persons.

(10) The Centre shall disseminate information on the action taken to local and foreign competent authorities, including Financial Intelligence Units and other entities, who are responsible for counter-terrorism and counter-financing of terrorism matters.

(11) Where the Court does not

(a) make an order that a person, entity or organisation is a designated person, or

(b) confirm the freezing of funds or other assets, the

Minister shall, without delay, inform the Centre which shall, without delay, cause the funds or other assets of the individual or entity to be unfrozen.

Domestic designation

Domestic List

16. (1) The Bureau shall

- (a) identify an individual, an entity or an organisation that the Bureau has reasonable grounds to believe to be engaged in terrorist acts, financing of terrorism or financing the proliferation of weapons of mass destruction, and of any other person who owns, controls, works in the name, for the interest or under the direction of a terrorist individual, entity, or organisation or who is in any other way associated with a terrorist individual, entity or organisation;
- (b) prepare a list of the identified individuals, entities or organisations, and
- (c) submit the list to the Committee.

(2) In the discharge of its obligation under this section, the Bureau may solicit and consider information from all relevant sources and collect adequate identifier information about an individual, entity or organisation that the Bureau has reasonable grounds to suspect or to believe to be

- (a) a terrorist, or a terrorist organisation,
- (b) engaged in financing terrorism or a terrorist organisation, or
- (c) engaged in financing the proliferation of weapons of mass destruction.

(3) For the purposes of this section, identifier information includes

- (a) names of persons and families, false names, titles and spelling;
- (b) places and dates of birth;
- (c) original or acquired nationality;

- (d) identification or passport numbers;
- (e) sex;
- (f) addresses;
- (g) occupations;
- (h) the number on the Consolidated List,
- (i) telephone numbers; and
- (j) any other relevant information.

(4) Where the Committee is satisfied with the list, the Committee shall approve the list for inclusion in the Domestic List.

Freezing of funds or other assets of Domestic Listed persons

17. (1) The Chief Executive Officer of the Centre shall, on receipt of the Domestic List, as a preventive measure, cause to be frozen without delay the funds and other assets of a person, entity or organisation on the List and ensure that no funds or other assets are made available, directly or indirectly, to or for the benefit of that person, entity or organisation on the Domestic List.

(2) The freezing of funds or other assets at the instance of the Chief Executive Officer of the Centre shall extend to funds or other assets

- (a) wholly or jointly owned or controlled, directly or indirectly, by that person, entity or organisation on the Domestic List; and
- (b) derived or generated from funds or other assets owned or controlled "directly or indirectly by that person, entity or organisation on the Domestic List.

(3) The Chief Executive Officer of the Centre shall, without delay, report the freezing to the Attorney-General and Minister for Justice.

(4) The Minister shall, without delay and by motion ex-parte, seek an order from the High Court under regulation 5 (6) and 6 (1) of the Anti-Terrorism Regulations, 2012 (L.I. 2181) for the freezing of the funds under section 5 (2) of the Anti-Terrorism Act, 2008 (Act 762) of the designated person who is on the Domestic List by virtue of section 16.

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(5) Where the High Court issues an order to freeze funds and other assets of a designated person who is on the Domestic List by virtue of section 16, the Minister shall, without delay, inform competent authorities, including the Minister responsible for Foreign Affairs and publish the order in the *Gazette* without delay.

(6) For the purposes of subsection (5), a freezing order by the Court in respect of a person on the Domestic List shall be for an indeterminate duration unless

- (a) the Committee removes the name of that person from the Domestic List, or
- (b) the designated person on the Domestic List successfully challenges the designation in Court.

(7) The Minister responsible for Foreign Affairs shall, without delay, submit a report to the Sanctions Committee on the freezing of funds and other assets of designated persons who are on the Domestic List by virtue of section 16.

(8) The Centre shall disseminate information on the action taken to local and foreign competent authorities, including Financial Intelligence Units and other entities, who are responsible for counter-terrorism and counter-financing of terrorism matters.

Objection to listing

18. (1) A person who objects to designation made under section 16 may petition the Committee in writing.

(2) The Committee shall within fourteen days determine the petition and take the appropriate action.

Variation or revocation of designation

19. (1) The Committee may at any time vary or revoke a designation.

(2) Where the Committee varies or revokes a designation of a person, the Committee shall

- (a) give written notice of the variation or revocation to the person, and
- (b) take reasonable steps to inform competent authorities, authorised parties and others of the variation or revocation.

(3) Where the Committee refuses an application by a person for the variation or revocation, the Committee shall give written notice of the refusal to the person.

Notices

20. (1) The Committee shall give notices, by publication in the *Gazette*, to

- (a) competent authorities or entities of amendments to the names of persons on the Domestic List and of information required to be completed, and
- (b) competent authorities or countries on measures taken in accordance with these Instructions.

(2) The Committee shall provide the Sanctions Committee with any additional information including supporting documents which become available to the Committee in relation to a designated person.

Miscellaneous provisions

Pnblication of information

21. (1) The Minister shall without delay cause the listing or de-listing- of a designated person to be published in the *Gazette* and competent authorities shall inform institutions, businesses or individuals which they supervise, represent or license of the listing or de-listing of designated persons,

(2) The Minister shall,

- (a) in accordance with regulations 5 and 6 of the Anti-Terrorism Regulations, 2012 (L.I. 2181), publish the listing, de-listing, order and revocation of a designated person in the *Gazette*;
- (b) in accordance with regulation9 of the Anti-Terrorism Regulations, 2012 (L.I. 2181), publish and update on a publicly available website, the information in sub-paragraph (a); and
- (c) publish in the *Gazette* and on a publicly available website, updates of particulars of frozen funds or other assets of a designated person.

Database

22. The Centre shall, in accordance with its function under section 6(b) of the Anti-Money Laundering Act, 2008 (Act 749), maintain an electronic and manual database of information disclosed to and obtained by the Centre.

Simulation of information flow and operations

23. The Centre shall, at intervals of every three months, in collaboration with other competent authorities, simulate information flow and other operations to be carried out in respect of the United Nations List and transmit the results through the Attorney-General and Minister for Justice to the Anti-Money Laundering and Counter-Financing of Terrorism Inter-Ministerial Committee on Anti-Money Laundering and Countering the Financing of Terrorism and Financing of Proliferation of weapons of mass destruction.

Submission of quarterly reports by the Centre

24. The Centre shall submit a report every three months on domestic lists, third party requests and the United Nations Sanctions List to the Minister.

Duty to report violation of Instructions

25. A person who knows or has reasonable grounds to believe that a person has contravened a provision of these instructions shall without delay report the contravention to the Centre and the Committee.

Internal rules

26. The Centre may, in collaboration with the relevant regulatory agency, supervisory body, administrative agency, security and intelligence agency, law enforcement agency and any authorised party or person concerned with the implementation of these Instructions, issue internal rules to any person who is subject to its control for the purposes of implementing the obligations provided in these Instructions.

Burden of proof

27. (1) For the purposes of this Instrument, in a case relating to Third Party requests or Domestic List

- (a) an order declaring a person or an entity to be a designated terrorist individual, entity or organisation, or

(b) the freezing of funds or other assets on reasonable grounds

the burden of proof required to determine reasonable grounds is the balance of probability rather than proof beyond reasonable doubt.

(2) For purposes of these Instructions, the provision in subsection (1) does not apply to designations made by the United Nations.

Interpretation

28. In this Instrument, unless the context otherwise requires, "Committee" means the Implementation Committee established under section 1;

"designated person" means an individual, entity or organisation that is

- (a) a terrorist or a terrorist organisation,
- (b) engaged in the financing of terrorism or a terrorist organisation, or
- (c) engaged in the financing of the proliferation of weapons of mass destruction and other transnational organised crime and that has been listed in the United Nations Consolidated List under United Nations Security Council Resolutions 1267 (1999), 1373 (2001), 1718 (2006), 1737 (2006), Successor Resolutions and other relevant Resolutions or listed in the Domestic List under section 16 of this Instrument;

"Domestic List" means the list of an individual, entity or organisation that is

- (a) a terrorist or a terrorist organisation,
- (b) engaged in the financing of terrorism or a terrorist organisation, or
- (c) engaged in the financing of the proliferation of weapons of mass destruction and other transnational organised crime prepared and approved by the Committee under section 16;

"funds or other assets" mean any assets, including but not limited to financial assets, economic resources, property of every kind, whether tangible or intangible, movable or immovable, however acquired, and legal documents or instruments in any form, including electronic or digital, evidencing title to, or interest in, such funds or other assets, including but not limited to bank credits, traveller's cheques, bank cheques, money orders, shares, securities, bonds, drafts or other letters of credit and any interest, dividends or other income on or value accruing from or generated by such funds or other assets;

"Sanctions Committee" means the committee of the United Nations Security Council established pursuant to the relevant United Nations Security Council Resolution;

"United Nations Consolidated List" means the list of persons and entities designated under United Nations sanctions regimes relating to terrorism and the financing of the proliferation of weapons – of mass destruction; and

"without delay" means ideally within a matter of hours of

- (a) in the case of the United Nations Sanctions List and freezing actions dealing with third party requests, receipt of information relating to the listing or delisting of a terrorist individual, entity or organization,
- (b) in the case of or designation by the Committee, confirmation by order of the Court, or
- (c) upon having reasonable grounds, or a reasonable basis to suspect or believe that an individual, entity or organization is a terrorist, one who finances terrorism or a terrorist organisation.

Revocation and savings

29. (1) The following Executive Instruments are hereby revoked:

- (a) Instructions for the Implementation of the United Nations Security Council Resolution No. 1267(1999), United Nations Security Council Resolution No. 1373 (2001), United Nations Security Council Resolution No. 1718(2006), Successor Resolutions and other Relevant Resolutions, (E. I. 8), and
- (b) Instructions for the Enforcement of the United Nations Consolidated List and Third Party Requests, (E.I. 19).

(2) Despite the revocation, any notices, orders, directions, appointments or any other act lawfully made or done under the revoked Executive Instruments and in force immediately before the commencement of this Executive Instrument shall be considered to have been made or done under this Instrument and shall continue to have effect until reviewed, cancelled or terminated.

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SCHEDULE
Meetings of the Committee >
(Section 5)

1. The Committee shall meet at least once every three months for the dispatch of business at the times and in the places determined by the chairperson.
2. The chairperson shall, at the request of not less than four of the members of the Committee, convene an extraordinary meeting of the Committee at the place and time determined by the chairperson.
3. The quorum at a meeting of the Committee is five.
4. The chairperson shall preside at meetings of the Committee and in the absence of the chairperson, a member of the Committee elected by the members present from among their number shall preside.
5. Matters before the Committee shall be decided by a majority of the members present and voting and in the event of equality of votes, the person presiding shall have a casting vote.
6. The Committee may co-opt a person to attend a Committee meeting but that person shall not vote on a matter for decision at the meeting.
7. The proceedings of the Committee shall not be Invalidated by reason of a vacancy among the members or a defect in the appointment or qualification of a member.
8. Subject to this section, the Committee may determine the procedure for its meetings.

MARIETTA BREW APPIAH-OPPONG (MRS.)
Attorney-General and Minister for Justice

Date of *Gazette* notification: 15th February, 2013.

Appendix VIII

Executive Summary of ACSRT Onsite Report

**EVALUATION MISSION TO THE REPUBLIC OF GHANA
CONDUCTED BY THE AFRICAN CENTRE FOR THE STUDY AND RESEARCH
ON TERRORISM (ACSRT)**

11 to 16 November 2013

I. Introduction

1. Pursuant to the counterterrorism continental and universal instruments, and in accordance with the African Centre for the Study and Research on Terrorism (ACSRT) strategic programme of action for 2010-2013, adopted by the African National Focal Points (FP) during their fourth meeting, held at the ACSRT's headquarters on 17-19 June, 2010, a delegation of the ACSRT led by *Mr. Idriss Mounir Lallali*, a.g Deputy-Director, and comprising 5 experts in different areas of counterterrorism, conducted an evaluation mission to the Republic of Ghana, member state of the African Union, from 11 to 16 November 2013.
2. This mission is conducted as a follow up to the decision on the prevention and combating of terrorism adopted by the 15th Ordinary Session of the AU Conference held in Kampala, Uganda, from 25 to 27 July 2010, which, *inter alia*, emphasized the need to renew efforts and increase mobilization to combat the scourge of terrorism and called on the Commission to take appropriate action to this end.
3. These evaluation mission are undertaken, by the African Union (AU) in the context of an assessment programme to AU member states among which the Republic of Ghana.
4. The main objectives of these missions are to:
 - a. Analyze the capacity of the Republic of Ghana to fulfill its commitments under the terms of the AU Plan of Action (2002), relevant AU decisions on the Prevention and Combating of terrorism, and international obligations in this regard;
 - b. Evaluate the capacities of the National Focal Point of Ghana to prevent and combat terrorism, to implement the tasks set out in the AU Plan of Action (2002), the Functioning Modalities of the ACSRT, the Code of Conduct regulating the relationship between the ACSRT and the Focal Points and other relevant AU decisions;
 - c. Develop recommendations on measures that Ghana should take in order to comply fully with its obligations under the AU Plan of Action (2002) and relevant AU decisions on the prevention and combating of terrorism;
 - d. Identify areas in which Ghana may require technical assistance to enable it to fully comply with its obligations under the terms of the AU Plan of Action (2002) and relevant AU decisions on the prevention and combating of terrorism.
5. It should be recalled that the ACSRT missions are to:
 - a. Complement international counterterrorism action by enhancing cooperation among African countries in the prevention and combating of terrorism;
 - b. Assist in the full implementation of international conventions on terrorism;

6. The ACSRT seek, *inter alia*, to :
 - a. Help AU Member States develop strategies for the prevention and combating of terrorism;
 - b. Define methodologies for the collection, processing, and dissemination of information;
 - c. Provide technical and expert advice on the implementation of AU instruments relating to the prevention and combating of terrorism, including the 1999 OAU Convention, the 2004 Protocol thereto, and the AU Plan of Action (2002) on the Prevention and Combating of Terrorism; the updating and strengthening of AU policies and programmes on the fight against terrorism;
 - d. Promote coordination and harmonization of efforts to enhance Member states' capacity on the prevention and combating of terrorism;
 - e. undertake studies and make recommendations on strengthening and standardization of legal norms and cooperation in matters of information-sharing among Member States, mutual legal assistance, extradition, police and border control (including land, maritime and air) in Africa;
7. Furthermore, the evaluation mission allowed an in-depth discussions on the extent of the relationship between terrorism and transnational organised crime and reviewed the status of implementation by Ghana of the Universal Counterterrorism Instruments, including the UN Security Council Resolutions 1373 (2001) and 1624 (2005), and ascertained on the way the AUC can be of assistance in this endeavor.
8. In accordance with the set practice in such visits, the delegation also dealt with issues concerning human rights in the context of the efforts undertaken by the evaluated Member States in the prevention and combating terrorism.
9. The ACSRT conducted a series of discussions with the Chief Executive Officer of the Financial Intelligence Centre (FIC), the Deputy-Director General of the National Crisis Response Centre, the Chief State Attorney, the Police Director of Operation Planning, the Director of Aviation Security, the Controller of Immigration at the Kotoka International Airport, the Chief Revenue Officer (CRO) of Customs Preventive Operations, and the Ho Regional Immigration Commander and visited the *Kotoka International Airport (KIA)* and the *Nyive Border Post* in Ho.
10. For its part, the ACSRT Head of Delegation held specific high-level discussions with the Minister for Foreign Affairs and Regional Integration, the Deputy-National Security Coordinator, the Chief Executive Officer of the Financial Intelligence Centre (FIC).
11. During its evaluation mission the ACSRT noted that all the institutions visited were very aware of the terrorist threat to the continent and to Ghana and have taken steps to adjust to this reality and successfully confront the scourge of terrorism. To this effect, progress is being made in order to harmonize national legislation and bring it in line with international counterterrorism instrument ratified by Ghana. Similar efforts are also being made in order to strengthen bilateral, regional and international cooperation in the prevention and combating of terrorism.

12. The delegation expressed its gratitude to the authorities of Ghana for the warm hospitality, assistance and cooperation extended to it prior to and during the visit, as well as appreciation for the level of expertise and commitment demonstrated during the discussions and on-site visits which allowed a better understanding of the progress achieved and the challenges faced by Ghana to fully implement its commitments to the African Union and the United Nations on matters pertaining to the prevention and combating of terrorism. The evaluation mission conclusions are as follows:

II. Assessment of Threat and Strategy implemented to combat terrorism

A. Assessing the Threat.

13. Although there are incidents of armed robbery, ethnic clashes and clashes between discontented groups and the state, Ghana has not experienced any terrorist incidents in the past, though the threat remains high given its geographical location being at the periphery of countries facing direct threat of terrorism. This threat is posed by international terror groups, which include Al-Qaeda in the Islamic Maghreb (AQIM), Ansar-Dine in Mali, Boko Haram in Nigeria, as well as, Movement for Oneness and Jihad in West Africa (MOJWA), which can potentially use the Ghana as a route for trafficking of drugs, weapons and contraband in order to sustainably finance their operations in the Sahel or as transit zone, Rest-and-Recovery (R&R), or for the recruitment of fighters. MOJWA, as the name suggests, may pursue its religious extremism and terrorism agenda in West Africa and thereby lead to violent extremism and terrorism in Ghana.
14. There were, however, incidents where terrorists or suspected individuals with links to terrorism used Ghana as a transit or as a hideout place, examples of which are: a Sudanese national known to have trained at terrorist camps in Afghanistan was head of an NGO in Ghana for two years, an AQIM operative alleged to be an AQIM bomb expert, was reportedly in Ghana to arrange for the purchase of fertilizer (that are used in the manufacturing of explosives) and the infamous, *Umar Farouk Abdulmutallah* the young man who allegedly tried to blow up, using explosives sewn into his underpants, a Detroit-bound Northwest Airlines plane over the United States with nearly 300 people on board, transited through Ghana.
15. Moreover, the recent terrorist attack at the Westgate Shopping Mall in Nairobi, brought the threat closer to home, as Ghana suffered the loss of Professor Kofi Awoonor. This has put prevention and combating of terrorism in partnership with other countries and international organizations high on the government's agenda.
16. The terrorist threat in Ghana can be considered from the following perspectives:
 - a. ***Threats arising from the geographical position-*** The borders security challenges faced by Ghana are not different from those of its neighboring countries, given the transnational nature of crime and terrorism. Within the past two decades the country has experienced some spillover effects of the political turmoil of its immediate neighbors notably Cote d'Ivoire, Liberia, and Togo. The consequences of which have been felt beyond the borders in the form of refugee influx, proliferation of arms, new forms of crime and violence which have exacerbated the security challenges at the borders.

- b. ***Threats associated with religious secularism, radicalization and indoctrination of the youth***-Ghana is a secular state and as such has witnessed the presence of many different religious sects operating in the country. Prominent and most active among the various sects is the *Tabligh Jamaat and Da'wah*. Although, the Tabligh Jamaat has always portrayed itself as a peaceful group, some of its members raise security concerns, given their country of origin (Pakistan and Yemen). In most cases its followers also are exposed to extreme forms of interpretation of Islam, alien to local traditional Islamic religious practices and rites raising the risk of clashes with the Muslim community and the potential recruitment and radicalization of young people who may later join extremist groups in the country or elsewhere in the region. Ghana Security Services are, however, proactively involved in monitoring the activities of the religious organizations and their subsequent operations and efforts thus far have involved using religious leaders in preventing radicalization. Having recognized the seriousness of this threat, the Ghanaian authorities have requested assistance in the preparation and implementation of a comprehensive de-radicalization and rehabilitation programme with the objective of changing, through dialogue, the extremist ideas the preaches have espoused.
- c. ***Threat arising from the increasing numbers of Non Governmental Organizations (NGOs)*** - While NGOs in particular faith based organizations play an important role in the socio-economic development of Ghana, complementing government's efforts in providing sustainable development, they however, if ill-monitored, could create a serious security challenge, as this would increase the risk of these institutions being exploited by terrorists and money launderers. It would be useful to establish mechanisms for monitoring and sharing information on the activities of these NGOs to ensure that they do not engage in activities other than those for which they have been registered for and that their members are not terrorists or are associated with any terrorist group or entity.
- d. ***Threats linked to the existence of networks making true-fake identification and travel documents***- The weak national passport security (in particular the security of breeder documents) and lax administration in the region has allowed criminal networks to infiltrate the services involved in delivering identification and travel documents (identity card and passport). Given that ECOWAS Member States can travel within the region with only the Identity Card, this has increased the risk of these documents being exploited by terrorists and criminals alike. However, the Ghanaian Passports and Identity Cards were improved to include advanced security features which make it difficult to forge. Ghana has established biometric national identification cards and passports. The identity card is requested at the district (after paying the required fee; presently GH¢10.00) at the post office) where a digital picture of the bearer's face and fingerprints are taken. The card needs to be picked up in person after 15 days, where the bearer identifies himself/herself with his/her fingerprints.
- e. ***Threats associated with the returnee jihadists***- the Ghanaian government services have prevented foreign fighters, in particular those fleeing Mali or those returning from Afghanistan, from using Ghana as a logistics base and transit point. However, gaps remain in the Ghanaian government's capacity to identify and capture these individuals, in particular the vetting of such individuals, before they are granted an

- entry visa into the country. It was also reported that a very small number of Ghanaian have joined terrorists groups affiliated to Al-Qaida. These individuals may return to Ghana, if they do not engage in direct terrorist activity they would certainly try to share their knowledge with other sympathizers who could potentially use it to perpetrate terrorist acts. It is therefore imperative to keep these individuals under close surveillance through various means, including cooperation with neighboring countries and by enhanced intelligence and community policing.
- f. ***Threats in the maritime domain-*** Ghana attracts a huge economic value for trade and the flow of maritime traffic emanating from commerce, business and fishing. Ghana now being an oil producing country it is highly susceptible to the potential menace of piracy on the high seas, and that of terrorism against the oil industry's offshore and onshore infrastructures, especially those attacks of international economic value have become the target of choice for terrorists. Gulf of Guinea countries need a united front in order to respond effectively to the growing threat of piracy along their coasts. Isolated national initiatives are only temporarily, at best, forcing the pirates to shift their criminal operations from one country to the next. The Ghana Navy took delivery of four new patrol ships as part of efforts to boost the naval fleet capacity for fishery control and the protection of the country's maritime boundaries.
- g. ***Threats associated with Peace Keeping Role of Ghana-*** the increased important role that Ghana plays in international Peace Keeping Operations, in particular in countries suffering from the scourge of terrorism, such as in Somalia and more recently in Mali, where Ghana has sent over a hundred soldiers to join troops from France and other African countries to fight Islamist militants there. This has, as with the other Troops Contributing Countries (TCC), raised their risk of being targeted by terrorists, who have on numerous occasions, threatened to retaliate against them in response to the military involvement in the peace keeping operations. These terrorist groups have, to date, not been able to commit such acts in Ghana or its neighboring countries. However, there are recorded countless attempts to infiltrate its agents from the countries of the region. AQIM and its affiliated groups is strongly suspected to have purposely taken action to identify and locate critical infrastructure and sensitive sites, in the TCC, which could be potential targets of its attacks as was the case in Arlit in Niger and West Gate Shopping Mall in Kenya.
- h. ***Threats associated with the financing of terrorism-*** The threat of terrorist financing from the territory of Ghana is real, may emanate mainly from four sources:
- i. Informal channels and illegal transfer of funds, in particular by foreign NGOs;
 - ii. Trade activities of some foreign individuals;
 - iii. Public collection of funds by local or foreign charities.
 - iv. International transfer of funds under the guise of remittances.
- i. ***Threats associated with Drug Trafficking-*** Drugs such as cannabis are cultivated locally and is widely sold in the sub-region. Other drugs, such as cocaine, that transit through West Africa, are also funneled through Ghana using its coastline and landing beaches. The emergence of "*Narco-terrorism*" in the Sahel and its direct consequences on the stability and security of States (as was the case in Mali), have created a new security threat in the region. The linkages between the groups in the

Sahel and drug traffickers in the region cannot be excluded and the probability of them using the existing networks to finance their operations, smuggle weapons, ammunitions, explosives and event operatives are very high.

- j. **Cross-Border Threat-** Ghana is facing a number of cross-border security crimes, which can be exploited by terrorists. The porous nature of borders across the region has increased the risk and potential of terrorists to cross from one country to the other without being intercepted or detected. Reportedly, the border of Ghana is used as a transit point for drugs towards their markets in Europe and America, in addition to illicit Small Arms and Light Weapons (SALW) to neighboring countries such as Nigeria, Liberia Côte d'Ivoire and Sierra Leone. These crimes raise the country's risk of being exploited by terrorists as a transit point, recruitment base and a possible use of the country as a haven for terrorists to conduct and sustain their operations in the region.
17. **Strategy implemented to combat terrorism.** Ghana, though not having suffered from terrorism, has made considerable efforts in developing a legal framework and practical measures to prevent and combat terrorism. Recently Ghana drafted a national counterterrorism strategy, aimed at developing a comprehensive programme that takes into account the major aspects of Counter-terrorism. However the strategy is yet to be adopted.
18. **At the National Level-** The National Security Council oversees all national security matter at the strategic level, including terrorism. The National Security Council relies on the Regional Security Councils (REGSECS) and the District Security Councils (DISECS) that operate as committees of the Council and perform such functions of the Council in the regions and districts, ensuring the function of early warning to Government of the existence or likelihood of any security threat to the region, to the country or to the Government.
19. As early as October 2001 Ghana established the Counterterrorism Intelligence Centre which is composed of personnel drawn from various states Security and Intelligence agencies including the Police Service, Bureau of National Intelligence, (BNI), Military Intelligence, External Intelligence; Internal Intelligence, Ghana Immigration Service (GIS), Ghana Revenue Authority (GRA)-Customs, Excise and Preventive Service (CEPS), and Research Department (RD) of the Foreign Affairs Ministry. The Centre is an outfit under the National Security Council, and reports directly to the National Security Coordinator, who is also its Director. The Centre works in close collaboration with the Financial Intelligence Centre (FIC) and the Joint Intelligence Committee (JIC). These structures and arrangements are governed by the Security and Intelligence Agencies Act 1996 (Act 526).
20. The mandate of the, aforementioned, Center is primarily to conduct counterterrorism intelligence activities, which includes intelligence gathering and also collating/analyzing terrorist related information received from all sources including the ACSRT. Its ultimate goal is to be able to acquire sound, timely reliable intelligence and data on terrorist activities with a view of identifying, locating, preventing terrorist activities and apprehending terrorists.
21. Furthermore, Ghana identified, as a main priority, the development and strengthening of its counterterrorism legislation with a view to meeting its international obligations. This has led Ghanaian authorities to adopt the Anti-terrorism Act (2008), to combat terrorism, suppress and detect acts of terrorism, prevent the territory, resources and financial services of the

country from being used to commit terrorist acts. The Act was amended in 2012 to take into account the recommendations of the Inter-Governmental Action Group Against Money Laundering in Africa (GIABA) Peer Review and those of the UN Counterterrorism Executive Directorate (CTED) following its evaluation visit to Ghana in 2008. In addition to the amended Anti-Terrorism Act (Act 842) Ghana took up the challenge and consequently enacted, as well as, reviewed some anti-terrorism laws, including:

- i. Executive Instrument 8, 2012
 - ii. Executive Instrument 19, 2012
 - iii. Executive Instrument 2, 2013
22. All of the above instruments empower security agencies and the Judiciary to effectively and comprehensively address terrorism related crimes. These acts cover, *inter alia*:
 - i. Terrorism and related offences;
 - ii. Terrorist organizations;
 - iii. Monitoring financial assistance for terrorism;
 - iv. Interceptions of communications and surveillance;
 - v. Terrorist investigations;
 - vi. Attempts, conspiracies and accessories;
 - vii. Territorial Jurisdiction of Ghana High Court in relation to terrorism offences under the Act;
 - viii. Terrorism extraditable.
23. In its efforts to prevent and combat terrorism, Ghana has given a particular attention and priority to combating money laundering and financing of Terrorism, the rationale behind it is that without funds terrorists cannot be successful in carrying out any operations. It therefore established the Financial Intelligence Centre as a corporate body to receive, analyze and disseminate financial intelligence in Ghana and abroad as a consequence of the adoption of the Anti Money Laundering Act, 2008 (Act 749) that provides for mechanisms which control the transfer and movement of money within the banking system. These measures, *inter alia*, require banks to:
 - i. Train personnel in Anti-money Laundering skills.
 - ii. Ensure that all accounts are opened without fictitious names and true identities of individuals and institutions are well known with their addresses (KYC-Know Your Customer).
24. Other relevant enactments which complement the Anti Money Laundering Act, 2008 (Act 749), and the Anti Money Laundering Regulations, 2011 (L.I. 1987) in the AML/CFT framework are the Anti Terrorism Act, 2008 (Act 762), the Economic and Organised Crime Act, 2010 (Act 804) and the Mutual Legal Assistance Act, 2010 (Act 807).
25. As a boost to Ghana's efforts to combat money laundering, terrorism and associated crimes, Executive Instrument 2, 2013 expanded the functions of the Inter-Ministerial Committee on

AML/CFT, established the Law Enforcement Coordinating Bureau (LECOB), with the National Security Coordinator as Chairman and provided for the freezing of funds without delay.

26. To complete its efforts government of Ghana also initiated a police led public awareness campaign to involve the population in their security especially Community Policing. These programmes are aimed at denying terrorists grounds for recruitment.
27. **Small Arms and Light Weapons (SALW):** In respect of the ECOWAS Moratorium on the Proliferation of Small Arms and Ammunition Light Weapons, the government of Ghana, with the support of UNDP, has set up a National Commission on Small Arms. This Commission is involved in monitoring cross-border activities for the purpose of counteracting the proliferation of small arms within the sub-region. Several networking meetings of the National Commission within ECOWAS have already taken place aimed at fostering cooperation and enhancing the sharing of information. The ACSRT delegation informed the Ghanaian authorities of the adopted AU SAWL Strategy and the possibilities that this might offer to support and assist their national efforts and the implementation of the National Action Plan. The *National Action Plan* has been adopted to guide national action towards the prevention, combating and eradication of the problem of the proliferation of illicit small arms and light weapons. Under the Plan, the Government will, amongst others, strengthen the capacity and training of law enforcement agencies to deal with the problem, review policy and legislation on firearms and explosives, improve stockpile management and conduct weapons collection and destruction programmes. The Plan also addresses strategies to reduce the demand for SALW through development initiatives.
28. With regard to the recurrent reports of terrorist attacks in the various West African countries, especially, of Boko Haram in Nigeria, the decision was taken that a mechanism should be put in place to combat such challenges in the near future, should it happen in the Country. Ghana undertook to develop the capacity of its Special Forces and police units to deal with terrorist situations. It has developed special training programmes to ensure that police personnel go through vigorous exercises, different weapons handling, crime and violent crowd management, strategies to counter terrorism and armed criminals, namely through the Specialized Weapons and Tactics (SWAT) Unit, the Rapid Deployment Force (RDF), which specialize in riot control or public order management and the Formed Police Unit (FPU) which has paramilitary training in situations which the local police cannot handle. Recently, a Marine Police Unit has been created to ensure proactive and reactive security onshore and offshore. The Ghana Police Service (GPS) plans on developing, in conjunction with its government partners, a Maritime Domain Awareness (MDA) Center where each stakeholder will be represented and which shall serve as both an all source intelligence fusion center and crisis management center.
29. **At the regional level-** Ghana continues to be committed to regional, continental and international cooperation in the fields indicated above. At the regional level and through the Economic Community of West African States (ECOWAS), the Intelligence services and police are encouraged to work together through the exchange of information on terrorism and to cooperate on border security issues in the framework of the ECOWAS Counterterrorism Strategy. Ghana is also a member of the West Africa Police Chiefs Cooperation Organization (WAPCCO) and Interpol regional Bureau in Abidjan. Ghana relies on informal and formal

bilateral security and legal cooperation with other partners in the region as a base for involvement in the regional fight against terrorism.

30. **At the African Union (AU) level-** Ghana is a member of AU and is committed to the implementation of the AU Plan of Action on the prevention and combating of terrorism as enshrined in the 1999 Algiers Convention, and is committed to the implementation of the African (Banjul) Charter of Human and People's Rights.
31. **International level-** Ghana is a member of the UN and is a signatory to several Counterterrorism Instruments, the country has been evaluated by the UN Security Council Counterterrorism Executive Directorate (CTED) in 2008 and is recognized by the international community as an important partner in counterterrorism cooperation.
32. As a matter of fact, the country possesses a coherent counterterrorism strategy, consistent with the multidimensional nature of this scourge. However the ACSRT delegation noted that there is a serious deficit in equipment and human resources, which makes its implementation difficult. There is, therefore an urgent need to strengthen the capacity of Ghana in the different areas of counterterrorism, as stated above, to ensure the success of the National CT Strategy.

III. Implementation of the AU Plan of Action (2002), and AU relevant decisions

A. Security and law enforcement (including aspects of international cooperation) (anti-terrorism legislation, criminal law procedure, and international cooperation in criminal matters)

33. Ghana has ratified 13 of the Universal Counterterrorism Conventions against terrorism. However it has yet to ratify the following:
 - i. 2005 International Convention for the Suppression of Acts of Nuclear Terrorism;
 - ii. 2005 Protocol to the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation;
 - iii. 2005 Protocol to the Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms Located on the Continental Shelf;
 - iv. 2010 Convention on the Suppression of Unlawful Acts Relating to International Civil Aviation; and
 - v. 2010 Protocol Supplementary to the Convention for the Suppression of Unlawful Seizure of Aircraft.
34. Ghana has ratified the OAU Convention on the Prevention and Combating of Terrorism, (1999), but has not yet ratified the 2004 Protocol to the Convention that it has signed on 28 June 2005. The ACSRT delegation invited the Ghanaian authorities to ratify this Protocol as soon as possible. However, it has ratified the African Convention against Mercenarism (1977) and the African Union Non-Aggression and Common Defense Pact (2005).
35. Ghana has ratified the UN Convention against Transnational Organised Crime on 21 August 2012, and two of its additional Protocols, namely the Protocol to Prevent, Suppress and

Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organised Crime (2000), and the Protocol against the smuggling of migrants by Land, Air and Sea (2000) which it also ratified on 21 August 2012. However, it has yet to sign and ratify its additional Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components and Ammunition (2001).

44. **At the Regional Level:** As an ECOWAS Member State, Ghana is also party to a number of regional instruments, including:

- i. Regional Convention on Judicial Mutual Legal Assistance on Criminal Matters, signed on 29 July 1992 in Dakar (ECOWAS/A/P1/7/92);
- ii. Regional Convention on Extradition 1/PI/8/94, signed on 6 August 1994 in Abuja (ECOWAS, 1/PI/8/94);
- iii. Moratorium on the Illicit Trafficking of Arms and Light Weapons signed in Abuja, on 31 October 1998;
- iv. On 12 November 1999, the ECOWAS Heads of State and Government established the Inter-Governmental Action Group Against Money Laundering in Africa (GIABA). Initially in charge of coordinating actions against money laundering and assisting Governments to enact legislation accordingly, GIABA now has extended its mandate to the area of counter-terrorism financing; and
- v. Protocol relating to the Mechanism for Conflict Prevention, Management, Resolution, Peacekeeping and Security, signed in Lomé on 10 December 1999.

45. It is also party to the Cooperation agreement on police matters between Benin, Nigeria and Togo (Lagos, 1984)

46. In the absence of formal bilateral MLA agreements with countries that are Member States of the Commonwealth, Ghana can rely, when dealing with these countries, on the adopted three informal Commonwealth schemes: (i) the Harare Scheme, which provides for assistance by the authorities of one country (the requested country) in respect of criminal matters arising in another country (the requesting country); (ii) the London Scheme for Extradition within the Commonwealth, which governs the extradition of a person from a Commonwealth country in which the person is found, to another Commonwealth country, in which the person is accused of an offence; and (iii) the Scheme for the Transfer of Convicted Offenders, which enables a sentenced offender to be transferred from the sentencing country to another country (the administering country) in order to serve the remainder of his sentence.

47. **At the bilateral level:** Ghana has an extradition treaty with the United States of America (originally concluded between the United States of America and the United Kingdom in 1931).

48. Ghana is among 21 States in the West and Central African Regions to have benefited from UNODC direct assistance for the ratification and legislative implementation of the universal instruments against terrorism and is among the 25 have benefited from UNODC direct assistance for the drafting of reports to the UN Security Council Counterterrorism Committee (CTC), to which it has thus far submitted three reports, in conformity with paragraph 6 of

Security Council resolution 1373 (2001), on the status of implementation of the said resolution.

36. The passing of the Anti-Terrorism Act 2008 (act 762) established the legal framework within which the counter terrorism effort is regulated. In addition to defining and criminalizing terrorist acts in Sections 1 and 2, *inter alia* through a referral to the universal instruments against terrorism ratified by Ghana, Anti-Terrorism Law and its amendment of 2012 contain provisions addressing the following areas:

- i. Terrorist financing
- ii. Provisions for the crime of support and incitement of terrorist offences;
- iii. Incitement to commit a terrorist act;
- iv. Support of a terrorist group;
- v. Specified terrorist entities;
- vi. Search, seizure and forfeiture of property of parties suspected of having committed offences under the Bill;
- vii. Freezing, seizing and confiscation of terrorist funds;
- viii. The power to refuse refugee applications if there are reasonable grounds to believe the person has been or will be involved in the perpetrating terrorist acts.

37. Under Act 762, the following are considered as terrorist offences:

- i. Provision or collection of property to commit an act of terrorism;
- ii. Provision of financial services for commission of a terrorist act;
- iii. Use of property for commission of a terrorist act;
- iv. Arrangements for retention or control of terrorist property;
- v. Dealing with terrorist property;
- vi. Support of terrorist act;
- vii. Harboring of persons committing terrorist acts;
- viii. Provision of a lethal device to a terrorist group;
- ix. Recruitment of member of terrorist group;
- x. Provision of training and instruction to terrorist group;
- xi. Incitement, promotion or solicitation of property for a terrorist act;
- xii. Provision of facilities to support a terrorist act;
- xiii. Arrangement of meetings in support of a terrorist group.

38. ***Punishments relating to terrorism***- Ghana legislation considered Terrorist financing as a serious offence, as stipulated in section 2 of the Money Laundering Act 2008 (Act 749), that the maximum penalty for the crime is death or imprisonment for a period of not less than twelve months. Section 2(2) of the Anti-Terrorism Act 2008 (act 762) provides that a person

who commits a terrorist offence is liable to a term of imprisonment of not less than seven years and not more than twenty-five years.

39. **Jurisdiction-** Cases over which Ghana has Territory Jurisdiction are covered in Section 5 of the Anti-terrorism Act which establishes that: The High Court has jurisdiction for an act which constitutes an offence committed outside the country if the act constitutes an offence in this country where:

- a) the person committing the act is:
 - i. a citizen of Ghana;
 - ii. not a citizen of Ghana but is ordinarily resident in this country;
- b) the act is committed to compel the Government to do or refrain from doing an act;
- c) the act is committed against a citizen of Ghana;
- d) the act is committed against property outside the country that belongs to the Republic;
or
- e) the person who commits the act is after its commission, found present in Ghana.

40. **Extradition-** The Anti-Terrorism Act 2008 (act 762) its amendment of 2012, the Money Laundering Act 2008 (Act 749) and the Extradition Act 1960 (Act 22) provide explicitly for the application of the international instruments to cases of extradition, including terrorist crimes which are to be considered extraditable offences. In the event there is no agreement between Ghana and the State seeking extradition, the principle of reciprocity is observed and the competent authority may proceed with extradition. The delegation was informed that a proposed new Extradition Bill is at the level of the Parliament for discussion and adoption.

41. Ghana has not had to try any terrorist cases and thus has not applied the Anti-terrorist Act. Furthermore, the adopted law has not been widely promoted amongst the law enforcement agencies, prosecutors and judges. The delegation made the following recommendations in the areas which it identified as being ones of priority:

- i. Establishment of a specialized judicial pool, comprising specialized judges, prosecutors and investigators on terrorism;
- ii. The need to train law enforcement and intelligence services officers, to ensure that the evidence collected is admissible in court;
- iii. The need to amend the anti-terrorism act to take into account the new *modus operandi* of terrorists and special investigation techniques, such as wiretapping, and cyber investigations. The AU Comprehensive Anti-Terrorism model law could be used for this purpose;
- iv. Need to further develop the skills and understanding, of the legislation in place and its implementation, of all relevant stakeholders.

42. However, other provisions, not less important, such as the criminalization of the payment of ransom to terrorist groups are to date not yet integrated in the Anti-Terrorism Act, as stipulated by the decision of the Assembly / AU/DEC.256 (XIII), adopted in Sirte in July 2009. The ACSRT delegation urged the Ghanaian party to address this question.

43. The ACSRT Delegation has also handed to the Ghanaian party, a copy of the African Anti-terrorism Model Law, whose main objective is to promote the implementation, at the national level, of the continental and international instruments on the prevention and combating of terrorism. Such legislation will guide Member States in developing, strengthening and/or updating their national legislation, to better meet their international and regional obligations. The law covers the following areas:
- The provision, within the framework of national laws, for all terrorism acts that States are required to define as criminal offences under the relevant conventions against terrorism and the resolution 1373 of the UN Security Council (2001);
 - Jurisdiction of States over terrorism-related crimes under relevant treaties;
 - The provision for offences relating to the financing of terrorism and supporting terrorism;
 - Extradition and Mutual legal Assistance. It also addresses the issue of payment of ransoms to terrorist groups.
44. The delegation also informed the Ghanaian side of the technical assistance put at the disposal, by the AU Commission, of interested Member States in undertaking a comprehensive process of reviewing existing legislation and assessing the extent to which it fulfills the Member State's obligation under the regional and international counterterrorism instruments, human rights instruments and international humanitarian law.

B. National Focal Point for the Prevention and Combating of Terrorism

45. The ACSRT delegation reiterated the need for Focal Points at national and regional levels as was emphasized by the instruments on the prevention and combating of terrorism on the continent. By adopting the Plan of Action on the Prevention and Combating of Terrorism in Africa, in September 2002, the African Union Member States committed themselves to "establish contacts points" at regional level to monitor and liaise on matters relating to the implementation of the Plan of Action. In addition, by adopting the Protocol to the OAU Convention on the Prevention and Combating of Terrorism, in July 2004, Member States committed themselves to "establish national contact points" with a view to facilitate regional sharing and timely exchange of information on terrorist groups and activities at the regional, continental and international levels.
46. The Focal Point of Ghana plays the role of a national counterterrorism coordinator that comprise all the relevant services who have a responsibility in the prevention and combating of terrorism. It is a structure that enhances information gathering on terrorism-related cases conveyed promptly to the Counter-Terrorism Operational Units. Inter-agency relations are good, as the structure ensures the necessary coordination amongst relevant national stakeholders at the strategic and operational levels, allowing capacity for early warning and rapid action. An addition it is linked to the REGSECS and DISECS. Nonetheless, the absence of a centralized common database, to which the different stakeholders could get access to, was noted. Each agency has its own centralized and computerized database on crime and terrorism, but which do not communicate with each other. Access to these databases, however, is regulated on a need-to-know basis in accordance with the remit of the requesting agency. Furthermore, the Centre would need access to the Interpol I-24/7 and the

Customs Enforcement Network (once installed at the level of the GRA), in addition to getting access to the soon to be launched ACSRT Counterterrorism Information Portal (AUCT-IP).

47. The ACSRT delegation, informed the National Focal Point of the existence of the Sahel Fusion and Liaison Unit (UFL and its French acronym), which comprises intelligence officers from the Sahel countries, who gather and analyze intelligence in relation to terrorism and transnational organised crime. The ACSRT proposed to facilitate the contact between the Ghanaian National Focal Point and the UFL.
48. The ACSRT National Focal Point of Ghana also represents Ghana's membership in ECOWAS and GIABA.
49. Ghanaian National Focal Point constitutes the ideal form of coordinating structure that the ACSRT and other international organizations would like to see implemented, as it covers both strategic and operational aspects of counterterrorism. However, the delegation recommends, given the multidimensional nature of terrorism and its inter-relation with other crimes, the expansion of the mandate of the Focal Point to include all other terrorism related crimes. This vision is based upon the concept of a Fusion Center and would reinforce the capacity of the Focal Point in both the collection and centralization of information, analysis, and development of early warning capacity and enhancing counterterrorism policy development, programme implementation and operational intervention at both national and international levels.
50. Therefore, it is recommended that the soon to be established GPS Maritime Domain Awareness (MDA) Center, be linked to the Counterterrorism Intelligence Center, since it serves as both an all-source intelligence fusion center and crisis management center.
51. It is also recommended, in order to building institutional memory and subject expertise, for the posting of liaison officers to the CT Intelligence Centre to be extended for more than the current three year period.

C. Countering the Financing of Terrorism (FT) & Money Laundering (ML)

52. Ghana's economy is a cash-based economy where the informal sector plays a pivotal role in the country's economic activity and the level of banking is relatively low. This has created an environment favorable for the development of multiple activities of money laundering and possibly the financing of terrorism.
53. Ghana has made considerable progress in developing a comprehensive legal framework and has implemented practical measures to combat money laundering. This has spearheaded the efforts of Ghana in developing its prevention and combating of terrorism strategy.
54. Ghana is a member of FATF, and of the Inter-Governmental Action Group Against Money Laundering in Africa (GIABA), which is a FATF-Style Regional Body.
55. The Financial Intelligence Centre (FIC) was established under Section 4 of the Anti Money Laundering Act, 2008 (Act 749) as a corporate body to receive, analyze and disseminate financial intelligence in Ghana and abroad. The Centre started operations on 4th January

2010. The function of the FIC is to assist in the identification of proceeds of unlawful activity and to combat money laundering activities. The objectives further include disseminating intelligence to investigating authorities, intelligence and revenue agencies to facilitate the administration and enforcement of the laws of Ghana, and also to exchange information with similar bodies in other countries regarding money laundering activities and similar offences.

56. Since its establishment the FIC has assisted in the enactment of an important number of AML/CFT Regulations:

- i. Economic and Organised Crime Office Act, 2010 (Act 804);
- ii. Mutual Legal Assistance Act, 2010 (Act 807);
- iii. Anti-Money Laundering Regulation, 2011 (L.I.1987);
- iv. Economic and Organised Crime Office (Operations) Regulation, 2012 (L.I. 2183);
- v. Criminal Offenses (Amendment) Act, 2012 (Act 849);
- vi. Immigration (Amendment) Act, 2012, (Act 848);
- vii. Anti-Terrorism Regulation, 2012 (L.I. 2181);
- viii. Executive Instrument, 2012 (E.I. 8);
- ix. Executive Instrument, 2012 (E.I. 19);
- x. Anti-Terrorism (Amendment) Act, 2012 (Act 842);
- xi. Gazette Notice: Notice given by Attorney General (AG) and Ministry of Justice (MoJ) with respect to the UNSCR 1267 listing of Terrorist individual, entity or organisation;
- xii. Executive Instrument, 2013 (E.I. 2);
- xiii. Gazette Notice, 2013: Issued by the by Attorney General (AG) and Ministry of Justice (MoJ) ordering the freezing of funds and other assets of Ansar-Eddine and 29 others;
- xiv. Gazette Notice, 2013: Issued by the by Attorney General (AG) and Ministry of Justice (MoJ) ordering the freezing of funds and other assets of four individuals;
- xv. Notice Issued by the by the Nigerian Financial Intelligence Unit ordering the freezing of funds and other assets of fourteen individuals from Nigeria.

57. Now that all legal instruments relating to money laundering and terrorist financing had been enacted the focus of the FIC is their rigorous implementation to ensure effective performance, in particular by the different stakeholders (financial and non-financial institutions and law enforcement and the judiciary).The FIC has therefore, been very active in promoting both the law and its application through periodic issuance of bulletins, publications, directives and guidelines.

58. The FIC's efforts towards building the capacity of the Accountable Institutions are palpable and its results are starting to show. For example, in 2009 there was only 1 Suspicious Transaction Report (STR) submitted to it and in 2013 (as of November) it has received 301 STRs. However, none have resulted in a conviction, indicating the need for training and

education of Law Enforcement Officers, Judges and Prosecutors on the existing legislation and its implementation, in particular the collection of evidence and its admissibility in court.

59. More recently, Executive Instrument (E.I.) 2 was adopted, which gives instructions for the implementation of the UN Security Council Resolution 1267 (1999), 1373 (2001), 1718 (2006), 1737 (2006), and subsequent relevant resolutions. It also established an Anti-Money Laundering and Counter Financing of Terrorism Inter-Ministerial Committee, chaired by the Ministers of Finance and which consists of the Minister responsible for Finance and Economic Planning, for Foreign Affairs, for the Interior, the Attorney-General and Minister for Justice, the National Security Coordinator, the Deputy Chief of Staff of the President, and the Governor of the Bank of Ghana. Among the functions of the Committee is to supervise the implementation of the National Strategy and Action Plan on Combating Money Laundering, Financing of Terrorism and Financing of Proliferation of Weapons of Mass Destruction.
60. It should be noted that alternative systems of remittance are not yet regulated in Ghana. Annual remittances are Ghana's largest single source of foreign currency. Many Ghanaians working abroad use an informal cash-based remittance system to send money to their families. It seems that the method is also used by some charities domiciled in Ghana to receive funds from abroad. It would be desirable to identify and regulate these services in order to prevent them being used for illegal purposes.
61. Though the AML Act does not specify the agency responsible for the investigation of money laundering, it is understood that investigations are the responsibility of the Economic and Organised Crime Office On financial investigations.
62. **Charities-** All Non-Governmental Organizations (NGO) are required to register with the Department of Social Welfare. The *Anti-Money Laundering Act* lists NGOs, churches and charitable organizations as accountable institutions. However, the legal regime for the supervision of NGOs is currently limited in scope and would need to be revised to bring it in line with best practices. The AML Act covers the Non-Profit Organizations (NPO) sector; however, supervising them for compliance with AML/CFT obligations under the law is still a challenge. Furthermore, law enforcement and supervisors are not trained on how to detect if NGOs are being used as fronts for terrorist groups. Moreover, NGO are not subjected to annual reporting of their operations which allows for the monitoring of the activities and operations of NGOs by the Board. The non-existence of a comprehensive data base of NGOs operating in Ghana makes it impossible to determine the extent to which they are effectively managed.
63. **Foreign exchange -** Ghana's Foreign Exchange Act (Act 723) 2006 mandates the Bank of Ghana (BOG) to regulate currencies and other monetary instruments in Ghana. There is no limitation on the amount of any foreign currency a resident or non-resident of Ghana can import or export into the country. There are however, regulations governing how much a traveller can carry across the borders. The current regulations from the BOG for persons importing or exporting money to Ghana are contained in BOG Notice No. BG/GOV/SEC/2007/3 of March 2007 and BOG Notice No. BG/GOV/EC/2008/26 dated 10th October 2008. In accordance with the Foreign Exchange Act (Act 723) and the Anti- Money Laundering Act (Act 749), all travellers to Ghana carrying foreign currency and/or monetary

instruments equivalent to over USD 10,000.00 are required to declare and complete the Foreign Exchange Declaration Form (FXDF- FX 5).

D. Exchange of information

64. Pursuant to Section D, paragraph 14 of the Plan of Action of the AU (2002), under which the member states undertake to strengthen information exchange, it was noted that Ghana continued to take significant steps towards enhancing counterterrorism cooperation. It has, throughout the visit, expressed its commitment to the exchange of information with other states within the framework of the international and regional instruments and bilateral agreements to which it is party.
65. It was noted, during the discussions, that Ghana places a particular priority on the issue of cooperation with neighboring countries with a view to eliminating the threat of terrorism and the adoption of safety procedures for preventing the perpetration or planning of such acts, through the exchange of information and the sharing of intelligence. Moreover, the delegation took note of the challenges Ghana faces in relation to cooperation with francophone neighboring countries.
66. Ghanaian officials have indicated that they view their continued cooperation with the Centre as crucial and recognize the benefits of joint-training and information-sharing.
67. Ghana police has good relations of cooperation with neighboring countries and with other States in the region, through the INTERPOL National Central Bureau (NCB), the Regional Bureau of Interpol in Cote d'Ivoire, the West African Chief of Police Cooperation Committee (WAPCCO) and the Regional Intelligence Liaison Office (RILO) in charge of customs intelligence based in Lagos.
68. However, the use of instruments of international policing such as the INTERPOL I-24/7 Information System and the Personal Identification Secure Comparison and Evaluation System (PISCES) must be strengthened and shared with the various security services dealing with counterterrorism, particularly at the level of the National Focal Point and the operational structures in charge of the detection, prevention and disruption of terrorism. The connection to this system should also be extended to all land and air entry and exit points at the various border crossings.
69. The delegation was informed of project to combine PISCES and I-24/7 to enable officers to exploit both systems from a single terminal, at border posts, instead of the two systems running in parallel.
70. Moreover, Ghana is in need of a national centralized database which could be used by all the services in charge of counterterrorism services. This database could be hosted at the level of the Counterterrorism Intelligence Centre. Currently, each service possesses their own database.

E. Border Control

71. There are security deployments at most of the exit and entry points of the country. The borders are manned 24 hours a day by immigration and customs backed by the police

services and in extreme cases by the Ghana Armed Forces (GAF). These agencies are coordinated under the Joint Border Security Committee (JBSC) spearheaded by the Ghana Immigration Services (GIS), whose role has been militarized, has a mandate to monitor and to defend the borders through its specialized Border Patrol Unit.

72. ***Establishment of travel documents*** - The Ghanaian Passports were improved to include advanced security features which make it difficult to forge. Ghana started issuing biometric identity cards since July 4, 2011 and Machine-Readable Biometric Passports since March 2010, though non-biometric passports are valid until their expiry dates or November 2015, whichever is sooner. Both the Passport and National Identification Card use the National Civil Registry to verify data hosted at the level of the National Identification Authority (NIA). Ghana does not permit entry into or exit from its territory, whether by its own nationals or by nationals of other States, without a valid passport bearing an entry or exit visa. However, entry visas can be issued at points of entry. The delegation noted, with great satisfaction, the existence within GIS of a Document Fraud Expertise Centre which can serve as a regional example to follow by the neighboring countries and as a regional training centre.
73. ***Organization of the border control services*** - Control missions are clearly defined within and between the police, immigration and customs services. It is essential that these services operate simultaneously for efficiency and better management of resources. Enhanced border security through joint operations by police, customs, immigration, intelligence and security officials is therefore recommended.
74. ***Effectiveness of the control of persons at borders*** - The Government of Ghana has in place an effective system called the *Personnel Identification Secure Comparison and Evaluation System* (PISCES) for monitoring entry and exit to limit terrorist movements. Information of travelers is electronically captured at the major points of entry/exits and used to update the Immigration Central Databases. However, certain border posts still use manual registers which are sent once a month to HQ to update the Central Database which poses a real problem of effectiveness of control.

F. Goods inspection and security control.

75. ***Cooperation and intelligence sharing*** - Ghana is an active member of the Regional Intelligence Liaison Office (RILO) in Lagos. However, it has yet to connect to the Customs Enforcement Network (CEN), which is a system of global information, analysis and secure communication (encrypted), devoted to countering of customs offences and organised cross-border crime.
76. It has yet to receive a diagnostic mission from the World Customs Organization (WCO), within the 2005 launched WCO Columbus Programme, with the objective of implementation of the SAFE Framework of Standards, supporting the WTO trade facilitation agenda, and comprehensive Customs modernization based on the seven clusters of the WCO Diagnostic Framework.
77. Even though the Ghanaian Customs apply risk management tools and methodology, around 90% of cargo coming into the country is controlled and in most cases manually. The

delegation noted that there exists good interagency cooperation. Nonetheless this can further be enhanced through joint counterterrorism training and sharing of resources between customs, immigration and the other security services at border points.

78. The Ghanaian Revenue Authority is working on establishing a canine unit which would require assistance, in addition to the need of equipment such as portable/mobile scanners, fake currency detectors etc.

G. Countering radicalization

79. In addition to monitoring certain places of worship the Ghanaian Services also monitor individuals who have shown radical and extremist tendencies. The delegation took note of the ongoing efforts of engaging community religious leaders in identifying radical behavior and tendencies. The delegation recommended that such engagement continue and to be extended to the other faiths in the country so as to create an interfaith dialogue, as well as engaging Civil Society who have an important outreach capacity.
80. The delegation also noted the Ghanaian authorities' concerns about the growing presence and influence of Salafi preachers and rites on Ghanaians. It also noted the request for assistance in the development of public resilience programmes to extremist rhetoric and the facilitation of contacts with other African countries with extensive experience in countering radicalization and violent extremism.

H. Respect for human rights in the counterterrorism context

81. The delegation reiterated that any measures taken to combat terrorism should comply with all obligations under international law, in particular international human rights, refugee and humanitarian law. In this regard, the 2004 Protocol to the Algiers Convention emphasizes the need for Member States to implement all relevant continental and international instruments relating to humanitarian law and human rights while countering terrorism.
82. The delegation found Ghanaian authorities open to discussion on issues related to human rights.

I. Onsite Visits

83. **The Kotoka International Airport (KIA)** - The infrastructure and layout of the international airport provide adequate conditions for customs, immigration and police checks. The roles are clearly defined within and between the different services involved. The airport is equipped with a sufficient number of scanners, including full body scanner and metal detectors, in accordance with international standards. Nonetheless, it was recognized that the airport lacked explosives detection equipment and the non-existence of specialized K9 Unit for the detection of explosives (however, the delegation noted the existence of counter-narcotic K9 Unit). In the case of the discovery of an explosive device the Army Engineer Division (who has reportedly received adequate training) will be called-in to deal with the situation. There is, however, an increased need for training to develop the operational capacity of customs and border police and to update them on new terrorist modus operandi.

84. **The Nyive Border Post in Ho** - (border between Ghana and Togo, about 200 km from Accra). Ghana has set up a conventional structure with fixed customs offices at border entry and mobile unit patrolling the borders. The visit highlighted good interagency cooperation that exists between the different services involved, namely the police, immigration and customs. Joint border security committee meetings have not, however, been held for over a year, which used to be held on a monthly basis. These meetings are valuable to exchange operational intelligence and coordinate joint surveillance, operations and patrols. Though the existing informal contacts facilitate cooperation a similar committee on the side of Togo would enhance greatly cooperation, coordination and information exchange. However, given the relatively high volume of traffic through this border post, and the challenges in monitoring the borders beyond the physical post, the visit also highlighted significant needs in infrastructure, materials, equipment for the personnel on duty, including an evident lack of means of transport, communication, detection, and monitoring.

IV. TECHNICAL ASSISTANCE

85. At the end of the visit the delegation discussed with Ghana their technical assistance needs which will be taken into account when preparing a comprehensive regional technical assistance programme by the ACSRT, the AU Commission in Collaboration with the AU Partners.
86. On the basis of these preliminary findings and analysis of lists of needs provided by Ghanaian authorities, the ACSRT recognizes that Ghana is in urgent need, at all levels, of advanced training programmes in the different areas of Counterterrorism and require specific equipment to enable the different actors to successfully counterterrorism. A detailed list of technical assistance needs is annexed to this report.
87. The delegation noted the need for a Man Portable Air-Defense System (MANPADs) Contingency Plan at the Airport and a specialized K9 Unit for the detection of explosives. Following discussions it was realized that there is a need for breeding dogs locally.
88. Capacity building is also needed in, *inter alia*, intelligence collection and analysis, de-radicalization, counter-radicalization and countering violent extremism, detection and neutralization of improvised explosive devices (IEDs) and the development of a CT Joint Training Programme for all the services involved in the prevention and combating of terrorism and transnational organised crime.
89. Taking into account the extent to which Ghana is effectively implementing its strategy, the delegation concluded that the Government, through its relevant authorities, could be in a position to provide assistance in the region, particularly in the following areas: development of legislation to combat money laundering and financing of terrorism, establishment of Financial Intelligence Units, detection of Counterfeit Documents and the establishment of National Counterterrorism Fusion Centers.
90. Ghana expressed its readiness to put at the disposal of other states its experience and best practices by providing its technical assistance.

V. Consultation of the Special Representative of the African Union Commission Chairperson for Counter-Terrorism for Cooperation

91. The ACSRT Delegation shared with the delegation of Ghana, the Reports of the Chairperson of the Commission on Measures to Strengthen Cooperation in the Prevention and Combating of Terrorism and the decisions adopted by the Peace and Security Council of the African Union (AU). In this respect, the Council stresses the importance of timely exchange and sharing of information, the submission of annual reports to Council on measures taken to combat and prevent terrorism, the notification to Council of all terrorist activities in their territories as soon as they occur. The Council also calls on the Regional Mechanisms for Conflict Prevention, Management and Resolution to fully play the complementary role expected of them, in particular through timely exchange of information with the ACSRT through their Focal Points.

Accra, Ghana, 16 November 2013