



**Inter-Governmental Action Group against Money Laundering in West Africa
Groupe Intergouvernemental d'Action contre le Blanchiment d'Argent en Afrique de l'Ouest
Grupo Inter Governamental de Acção contra o Branqueamento de Dinheiro em África Ocidental**

GHANA exits FATF Blacklist; NIGERIA enacts Terrorism (Prevention) (Amendment) Act 2013

The Financial Action Task Force (FATF) is the global standard setting body for anti-money laundering and combating the financing of terrorism (AML/CFT). In its efforts to enforce greater compliance with acceptable international standards, the FATF, in collaboration with FATF Styled-Regional Bodies (FSRBs) undertake targeted review of countries/jurisdictions identified with strategic AML/CFT deficiencies with a view to protecting the international financial system from money laundering and terrorist financing (ML/TF) risks arising from such deficiencies. The main criteria for the targeted review of countries include the poor rating of a country's AML/CFT system in a Mutual Evaluation Report (MER) of that country and if the estimated size of the banking assets is in excess of US\$5 billion.

The Mutual Evaluation of Nigeria (MER) was adopted by GIABA on 07 May 2008, and the country was rated Partially Compliant (PC) or Non Compliant (NC) in 13 out of the 16 Core and Key Recommendations of the FATF. This result, together with a banking asset in excess of US\$5 billion, Nigeria was subjected to the International Cooperation Review Group (ICRG) of the FATF. With the support of the ICRG Regional Review Group (RRG) and GIABA, Nigeria developed an Action Plan to remedy the identified deficiencies and, in February 2010, Nigeria made a political commitment to address its deficiencies within one year. Nigeria's efforts were reviewed in February 2011 and despite passing the Money Laundering and Terrorism Prevention legislation, Nigeria was placed on the FATF Public Statement after the pieces of legislation were analysed and found not to fully conform to international standards.

Since then, Nigeria has made significant efforts and taken steps towards improving its AML/CFT regime, including criminalization of the full range of predicate offences for money laundering and the passage of the Money Laundering (Prohibition) (Amendment) ACT 2012; and most recently on 21 February, 2013 HE, President Goodluck Ebele Jonathan assented to the Terrorism (Prevention) (Amendment) Act 2013. The enactment of the Anti-Terrorism Act marks a turning point in the implementation of a robust counter terrorism measures in the country, which is a major requirement for an effective AML/CFT system. However, FATF has not yet assessed the legislation, due to the very recent nature of its enactment. This means that Nigeria is still retained on the FATF Public Statement for some time until it is ascertained through an on-site visit that Nigeria has met substantially all items in its action plan. The GIABA Secretariat commends Nigeria for its constructive engagement with the FATF and GIABA, and for taking those significant steps, including the enactment of these legislation. The FATF and GIABA encourage Nigeria to remain resolute and continue with the implementation of its action plan.

In the same vein, the Mutual Evaluation Report (MER) of Ghana was adopted by GIABA on 04 November 2009 and based on a poor rating of PC and NC in all the 16 Core and Key FATF Recommendations, as well as an estimated banking assets in excess of US\$5 billion, Ghana was subjected to the FATF ICRG Review Process. With the support of the FATF and GIABA, Ghana developed an Action Plan to address the strategic

deficiencies identified in its AML/CFT regime. In October 2010, Ghana made a political commitment to implement the Action Plan within one year. As a result of the lack of progress in implementing the action plan as agreed, Ghana was placed on the FATF Public Statement calling on its members to consider the risks arising from the deficiencies in Ghana's AML/CT regime.

Since 2010, with the continued support of GIABA, Ghana has demonstrated strong and high-level political commitment towards addressing its strategic AML/CFT deficiencies and, thus established the required legal and regulatory framework to meet its commitment in the action plan, including the passage of the AML Regulation (LI 1987) by the Parliament on 28 March 2011; the ratification of the UN Convention against Transnational Organized Crime (2000) on 09 February 2012; enactment of the Criminal Offences (Amendment) Act 2012; issuance of Anti-Terrorism Regulation in July 2012, and the establishment of a fully operational Financial Intelligence Centre (FIC) respectively. In January 2013, the ICRG Regional Review Group (RRG) of the FATF covering Africa and Middle East conducted an on-site visit to Ghana to ascertain the extent to which measures are in place to implement the action plan. The on-site team was satisfied that five of the action plan items had been substantially completed, and that there is political commitment and institutional capacity to implement AML/CFT Reforms in Ghana. The only one item the team considered unsatisfactory was the inadequacy of the implementation of obligations under the United Nations Security Council Resolutions (UNSCRs) 1267, 1373, and successor resolutions. During the exit meeting with the assessment team, the Ghanaian authorities assured them that this would be met before the FATF-ICRG meeting scheduled for 18 February 2013 in Paris. At that meeting, Ghana proved beyond reasonable doubt that this requirement had been met and presented in evidence Executive Instrument (E.I 2) entitled: ***“Instructions for the Implementation of the UNSCRs 1267 (1999), 1373 (2001), 1718 (2006), 1737 (2006, Successor Resolutions and Other Relevant Resolutions”*** issued by the uconsolidated list of individual terrorists, entities or organizations dated 14 February 2013. Consequently, at its Plenary meeting held in Paris, France, from Feb 20 - 22, 2013, ***the FATF welcomed Ghana's significant progress in improving its AML/CFT regime and noted that Ghana has established the legal and regulatory framework to meet its commitments in its Action Plan. The FATF concluded that Ghana is therefore no longer subject to FATF's monitoring process under its on-going global AML/CFT compliance process. Ghana will work with GIABA as it continues to address the full range of issues identified in its Mutual Evaluation Report.***

GIABA welcomes these positive developments in its two member States, especially the very strong commitment and relentless efforts to pass the required pieces of legislation and enforce a full range of regulatory framework. GIABA congratulates Ghana in particular for exiting the monitoring process of the FATF. GIABA also commends Nigeria for its commitment and relentless efforts to get out of the process as soon as possible and, will continue to work with them to implement the recommendations in their MERs. GIABA would also like to re-assure all its members that it will continue to provide them with the necessary guidance, technical support and assistance to ensure that none of its members is subjected to the FATF review.

GIABA Secretariat,

22, February 2013.