

## **REPORT OF THE 34<sup>TH</sup> GIABA TECHNICAL COMMISSION PLENARY HELD IN SOMONE, SENEGAL 2<sup>ND</sup> -11<sup>TH</sup> DECEMBER 2020.**

The Inter-Governmental Action Group Against Money Laundering in West Africa (GIABA) held its 34<sup>th</sup> working group and Technical Commission/Plenary meetings from the 2<sup>nd</sup> -11<sup>th</sup> December,2020.

Due to the Corona Virus Global pandemic, the Plenary meetings took place in hybrid form (limited physical attendance and virtual participation). The Risk Trends and Methods Group (RTMG) met virtually on 2<sup>nd</sup> December 2020 whilst the Evaluation and compliance Group (ECG), the Forum for Heads of FIUs and the Technical Commission met in a hybrid form in Somone, Senegal.

A delegation drawn from competent authorities including representative from the Financial Intelligence Unit, Anti-Corruption Commission, Corporate Affairs Commission, Law Officers Department, Sierra Leone Police, Bank of Sierra Leone and Sierra Leone Bankers Association left Sierra Leone for Senegal.

The Sierra Leone's Second Round of Mutual Evaluation Report was tabled for discussions with four (4) key contentious issues to be deliberated. These four (4) key issues included Immediate Outcome 1, Recommendations 1,5 and 6 Respectively. The Plenary concluded that since the conclusion of Sierra Leone's first mutual evaluation in 2007, the country had taken steps to enhance its legal and institutional frameworks, and, to a moderate extend, understands its ML/TF risk. Sierra Leone has coordinated actions to combat ML/TF.

The Plenary however noted that Sierra Leone requires improvements in the areas of : use of financial intelligence to investigate ML/TF to trace assets, confiscation of proceeds and instrumentalities of crime or assets of corresponding value, investigation and prosecution for ML, particularly concerning parallel investigations, investigation and prosecutions of TF, preventing the abuse of NPOs for TF, implementation of preventive measures by non-bank financial institutions and designated non-financial businesses and professions (DNFBPs),

supervision and monitoring of these entities , as well as the collection and maintenance of comprehensive ML/TF-related statistics.

The Evaluation and Compliance Group (ECG) considered these issues as priority areas deserving discussion. The ECG also considered issues requiring clarification and proposed draft texts for incorporation in the final MER.

The ECG identified areas deserving discussion in Plenary and streamlined the list of priority issues to define and focus discussions at the Plenary. Based on the discussions, the ECG recommends that the rating on IO1, R1 and R6 should be maintained on moderate, LC and PC levels respectively. However, the ECG directed the assessment team and the assessed country to revise the key issues documented to reflect clarifications provided by both the country and the assessment team during the ECG for consideration by the plenary to justify maintenance of the ratings and to facilitate decision by the Plenary. The ECG referred R5 to the plenary for further discussions but also invited the assessors to consider revising the text to provide more clarity. Delegates did not raise concerns on the other documents that provided further clarifications, including proposes text when invited.

Meanwhile after lengthy deliberations, the Plenary maintained the ratings of Immediate Outcome1 (Moderate), Recommendations 1( LC), 5(LC) and 6(PC) as reflected in the MER

The tables 1 and 2 below provide the ratings on the level of effectiveness of the AML/CFT system of Sierra Leone and the country’s compliance with the FATF Recommendations respectively.

Table 1: Effectiveness Ratings1

IO	IO.1	IO.2	IO.3	IO.4	IO.5	IO.6	IO.7	IO.8	IO.9	IO.10	IO.11
Rating	ME	LE	LE	LE	LE	LE	LE	LE	LE	LE	LE
Recommendation	R.1	R.2	R.3	R.4	R.5	R.6	R.7	R.8	R.9	R.10	

Rating	LC	LC	LC	LC	PC	NC	NC	NC	C	PC
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Recommendation	R.11	R.12	R.13	R.14	R.15	R.16	R.17	R.18	R.19	R.20
Rating	C	LC	LC	PC	PC	PC	PC	PC	PC	C

Recommendation	R.21	R.22	R.23	R.24	R.25	R.26	R.27	R.28	R.29	R.30
Rating	C	PC	PC	PC	PC	LC	LC	PC	LC	LC

Recommendation	R.31	R.32	R.33	R.34	R.35	R.36	R.37	R.38	R.39	R.40
Rating	LC	PC	LC	PC	LC	LC	PC	PC	PC	LC

In line with GIABA Mutual Evaluation Process and Procedures, the Plenary placed Sierra Leone on the Enhanced Follow-Up process. The Plenary directed the country to submit its First Follow-Up report in November, 2021. The Country's MER will be published by GIABA Secretariat in 2021 after the quality and consistency review by the Global Network.

The ECG in line with the provisions of the process and procedures for GIABA first round of Mutual evaluation also discussed the following follow-up reports:

- Sixth follow-up report of the Comoros
- Eleventh Follow-up Report of Guinea
- Twelfth follow-up report of Liberia

After deliberations of the follow-up reports, the ECG recommended to plenary to maintain the Union of Comoros on the Enhanced follow-up process and invited the country to submit its Seventh follow-up report to the May 2021 plenary, The ECG recommended for Guinea to be exited from the submission of follow-up report in order for the country to prepare for its second Mutual Evaluation but were however directed to provide a written update to the May 2021 plenary on

the measures taken to address the outstanding deficiencies, and the country's level of preparedness for its second round of mutual evaluation whilst Liberia was also recommended by the ECG to exit the follow-up process of the first mutual evaluation but was directed to provide a written update to the May 2021 Plenary about the implementation of the Action Plan and the level of its preparedness towards its second on-site mutual evaluation and finally for the Secretariat to undertake a high level advocacy visit to Liberia before the May 2021 Plenary.

With regards to the postponement of the discussion of the Mutual Evaluation Reports of Nigeria and Benin, the secretariat explained that : (i) the disruption occasioned by the COVID-19 pandemic (ii) the consequential increase in the workload of the GIABA Secretariat and global network, and (iii) the fact that the discussions of the reports will likely take place via virtual meetings has made it necessary to priorities GIABA's work and reschedule the discussion of Nigeria's Report. In the case of Benin, some concerns were raised by the FATF on the quality and consistency of the Benin report therefore, the Secretariat is conducting an internal review of the MER of Benin. Accordingly, the discussion of the Benin and Nigeria MERs have been postponed to the May 2021 Plenary.

Furthermore, the GIABA Secretariat informed the Plenary that the follow-up reports of member states assessed under the second round of mutual evaluation including Senegal, Ghana, Mali, Cabo Verde and Burkina Faso will not be discussed due to the disruption occasioned by the COVID-19 pandemic but at an extra ordinary sessional meeting in the new year. Delegations will be notified on the precise dates of the meeting in due course by the secretariat.

The plenary also considered the report of the Co-Chairs of the RTMG/PRG highlighting the following :

- Report of the Assessment of the Beneficial Ownership Information and Asset Recovery Frameworks for AML/CFT purposes of GIABA member states

- An Assessment of the Challenges of Investigating, Prosecuting and Adjudicating Money laundering and Terrorism Financing Cases in GIABA members States- Policy and Operational Options
- Typologies Study on Money laundering and Terrorist Financing through Corruption in West Africa
- Study on the Vulnerabilities of Casinos and other Games of Chance on ML/TF in West Africa
- Two policy briefs, one on the opportunities of FinTech Transformation and the other on the associated ML/TF risks of Virtual Assets (VA) and Virtual Assets Services Providers(VASPs) and the AML/CFT implications for GIABA member states.
- Updates on Technical Assistance by Technical and Financial Partners etc

The Plenary considered and adopted the report of the plenary meeting, subject to the amendment made therein. This was followed by Director General's closing remarks. In his closing remarks, the DG expressed his gratitude to the Assessment Team of Sierra Leone and the country for their efforts and sacrifices and urged the country to remain committed to the implementation of the priority actions identified in the Mutual Evaluation Report. The vote of thanks was moved by the Director of the Financial Intelligence Unit of The Gambia.



*Photo of Delegates from Sierra Leone to defend the Mutual Evaluation Report*



*Photo of delegates of the 34<sup>th</sup> GIABA plenary in Somone, Senegal Dec. 2020*