Anti-Money Laundering/Counter Financing of Terrorism (AML/CFT) training program for the Middle East and East Africa regions.

Technical Assistance provided, results, financial management (May 2019)

1. Background and objectives

The World Bank started to roll out its Anti-Money Laundering/Counter Financing of Terrorism (AML/CFT) training program for the Middle East and East Africa regions (P159731). The program had three objectives:

i) to strengthen the relevant authorities in each jurisdiction, the capacity to investigate, effectively freeze terrorist’s funding and assets, and successfully prosecute CFT offences;

ii) to support authorities to implement the United Nations Security Council Resolutions Targeted Financial Sanctions (UNSCR 1267, 1373 and 1540) and, enhance regional cooperation between jurisdictions for combating CFT; and

iii) to develop a cadre of experts for a sustainable “Train the Trainer” (TOT) program.

Given the potential synergies between the topics and technical assistance needs in MENA and in East Africa, the programs for the two regions were conducted in close coordination, which allowed for significant savings in terms of expenses, and very interesting interactions between policy makers and practitioners of countries from both regions. More precisely, the regional program was implemented by organizing four multi-regional sessions. After the fourth and a fifth regional training were conducted in October and December 2018, the implementation of the training plan was finalized by the selection of 20 trainers (10 countries) for a specific “train the trainer” program that allowed these participants to disseminate the training in their own country (Lebanon, Tunisia), with the support of the World Bank.

The phases of implementation have been organized as follows:

1. Basic CFT Investigations delivered to regional groups (in MENA and Sub-Saharan Africa)
2. Advanced CFT Investigations + mock case study delivered to regional groups
3. “Train the Trainer” program delivered to regional groups
4. Basic CFT training programs delivered by participants from the first three phases to their colleagues in-country.

The program was co-funded by two EFOs financed by Canada, the Multi-Regional Project to Strengthen AML/CFT (EFO 1077: TA-P159731-GAD-BBEFO - Technical Assistance – BBEFO;) and the Fighting ML and FT in MENA Project (EFO 1066: TA-P158421-TAS-BBEFO Technical Assistance-BB; EFO 1066).

2. Workshop in Beirut (Lebanon) from April 24-27, 2017
The workshop was attended by 27 participants from Botswana, Iraq, Lebanon, Kenya, Tunisia, Morocco, Uganda, Palestine, Kenya, and Tanzania. The participants represented a wide range of AML/CFT stakeholders namely law enforcement involved in AML, counter terrorism (CT) and CFT investigations, financial intelligence units (FIU), national security agencies, prosecutors and judicial official or customs officers involved in cross border currency smuggling prevention.

The workshop provided guidance on basic CFT investigative techniques, and aimed at fostering the sharing of experiences in combatting terrorism financing between participants of the two regions, and at enhancing cooperation for a more robust approach to international CFT efforts.

During the workshop, the team (two staff and three consultants) delivered several CFT training presentations and practical exercises. The team guided an open ML/TF dialogue throughout the workshop, facilitating the sharing of knowledge and experience from country delegations. After the advanced training sessions, 10 trainers were selected to participate in the “Train the Trainer” program.

3. Workshop in Dar Es Salaam, (Tanzania) from June 19-22, 2017

After the successful completion of this basic CFT Investigations workshop, the team planned a second investigations workshop in Dar Es Salaam, Tanzania focusing on African countries. The workshop was attended by 33 participants from Botswana, Burundi, Ghana, Gambia, Kenya, Tanzania, South Sudan, Uganda and Zimbabwe. The participants represented a wide range of AML/CFT stakeholders namely law enforcement involved in AML, counter terrorism (CT) and CFT investigations, financial intelligence units (FIU), national security agencies, prosecutors and judicial official or customs officers involved in cross border currency smuggling prevention.

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4. Workshop in Beirut (Lebanon), from March 19-23, 2018

From March 19 -23, 2018, Mr. Jean Pierre Brun (Senior Financial Sector Specialist – GFCFN, and TTL), Mrs. Nigel Bartlett (Senior Financial Sector Specialist – GFCFN, TTL), Mr. Thomas Richard Hansen (Consultant), Mr. Theodore Kouts (Consultant), traveled to Beirut, Lebanon, to conduct a 4 days training workshop that will bring together 29 participants from eight countries
in the Middle East and Africa (Lebanon, Morocco, Tunisia, Iraq, Tanzania, Kenya, Botswana, Uganda)

As a whole, the training is being delivered in 4 phases:

- Basic CFT Investigations;
- Advanced Training in applying basic skills learned in the initial workshop including a CFT mock case study/investigation;
- A “Train the Trainer” program allowing for further dissemination of knowledge provided in the first two workshops;
- The delivery of the Basic CFT training programs by ‘Trainers’ to colleagues.

The sessions aimed at fostering the sharing of experiences in combatting terrorism financing between participants of the two regions and at enhancing cooperation for a more robust approach to international CFT efforts.

The March 2018 workshop closed the second phase, provided guidance on advanced CFT investigative techniques, and facilitated the exchange of good practices and lessons learned among the CFT practitioners.

Overall, the results (rated by participants) were positive or strongly positive (there were very no negative responses to any of the survey forms).

5. Workshop in Entebbe, Uganda from October 10-13, 2017

The workshop was attended by 28 participants from Botswana, Burundi, Ghana, Kenya, Lebanon, Morocco, Palestine, Tanzania, South Sudan, Uganda, and Zimbabwe. The participants represented a wide range of AML/CFT stakeholders namely law enforcement involved in AML, counter terrorism (CT) and CFT investigations, financial intelligence units (FIU), national security agencies, prosecutors and judicial official or customs officers involved in cross border currency smuggling prevention.

The workshop provided guidance on basic CFT investigative techniques, fostered the sharing of experiences in combatting terrorism financing between participants, and enhanced cooperation for a more coordinated approach to international CFT efforts.

During the workshop, the team (2 staff, 2 consultants) delivered several CFT training presentations and coordinated a CFT mock case study/investigation where newly learned skills could be applied. The team guided an open ML/TF dialogue throughout the workshop, facilitating the sharing of knowledge and experience from country delegations.

6. Workshop in Beirut, Lebanon, September 17-21, 2018

This workshop was the third in a four-phase effort to enhance capacity in the Middle East, North Africa, and Sub-Saharan Africa on investigative techniques for Combatting the Finance of Terrorism (CFT). In addition to capacity-building around investigative techniques, the program
seeks to foster networking and sharing of experiences between and among investigators, prosecutors, and judges working on CFT across the region.

- The Sept 17-21 workshop concluded the third phase of the program. Another phase 3 workshop already took place this past June in Dar es Salaam for participants from Sub-Saharan Africa.
- The workshop brought together 17 participants from six countries in the Middle East and North Africa (Lebanon, Iraq, West Bank/Gaza, The Gambia, Morocco, and Tunisia).
- All participants had previously participated in our Basic and/or Advanced workshops on Investigative Techniques for CFT.
- The content of the latest workshop was aimed at setting up the participants to deliver their own basic-level in-country CFT trainings, with World Bank support. Topics covered included training methods and lesson planning, along with a review of CFT investigative techniques that were covered in the basic and advanced courses.
- Participants spent much of the week collaborating on development of their own country-specific lesson plans to deliver in phase 4. This collateral will be polished and circulated to the full group of participants so that they can utilize it in their in-country trainings.
- Overall, the results (rated by participants) were positive or strongly positive.
- Conversations around timing and attendance were conducted with country teams during the workshop in order to begin the implementation of phase 4.

7. Regional Workshop on Risk-based AML-CFT supervision in Abu Dhabi (UAE), from December 4-6, 2018

The workshop was organized under the auspices of the Middle East and North Africa Financial Action Task Force (MENAFATF) and the Arab Monetary Fund. The training took place at the facilities of the Arab Monetary Fund. The team provided guidance on how to apply an AML-CFT risk-based supervision to banks, delivered presentations and discussed case studies based on training modules developed by the World Bank. The MENAFATF general secretary presented the methodology followed in the context of mutual evaluations.

Participants raised questions on how the FATF mutual evaluations would rate the implementation of the standards and the effectiveness of the risk-based approach developed at the country and the sectoral level, anticipating on the future mutual evaluations that will be conducted for each jurisdiction in the near future. They also discussed, and had differences, on how to calculate the appropriate resources devoted to specific AML-CFT supervision in the context of the broader supervision function. The discussions were also a chance to explain the various options provided by FATF standards depending on the identification of higher risk or lower risk institutions and activities. Another point that was discussed during the exercises was the respective role and weight of on-site and offsite supervision. Finally, the participants conducted an exercise in which they identified risk factors to take into account in classifying a pool of high risk and lower risk institutions depending on data they were provided. The exercise showed that specific national circumstances led to different results and scoring.
The feedback from participants was very positive. The quality of the training was rated excellent or good by 28 participants and satisfactory by 3 participants. 27 participants agreed or strongly agreed that the event increased their knowledge and skills. Participants highly appreciated the group discussions and interaction. Some regretted that time management was not easy given the short duration of the workshop and suggested that the training could be deliver on 4 or 5 days to allow for more in depth analysis of risk based supervision implementation.

8. Workshop in Tunis (Tunisia) from January 22-25, 2019

From January 22-25, 2019, a World Bank-StAR mission (two staff) traveled to Tunis (Tunisia) to train financial analysts at the Tunisian Financial Analysis Commission (CTAF) on how to effectively analyze and provide added value to suspicious transaction reports from Banks and other relevant institutions. The CTAF is a branch of the Central Bank which examines these suspicious transaction reports and transmits the result of its investigations to Law Enforcement Authorities. As a result, this work is key to providing increased capacity and effectiveness to anti-money laundering, anti-terrorist financing, and anti-corruption enforcement.

Since 2016, the World Bank has led a three-step regional program to “train trainers” from several countries in North Africa and the Middle East, including Tunisia. The “trained trainers” organized national training sessions in their countries with the assistance of the World Bank. The session conducted from 22 to 25 January 2019 brought together the 17 financial analysts hired in the last 2 years, and the Tunisian trainers. The World Bank-MENAFATF evaluation of the Tunisian AML-CFT regime had noted that the insufficient number of analysts was delaying the handling of a significant stock of suspicious transaction reports. The stock was reduced last year after the arrival of the newly hired staff. The training was a chance to further boost the effectiveness of this staff. The World Bank-UNODC StAR (Stolen Asset Recovery) assistance is also crucial in the context of efforts to recover proceeds of corruption and embezzlement undertaken by Tunisian authorities.

The sessions focused on:

- Collecting information from bank accounts and public registers,
- Identifying beneficial ownership of companies,
- Exchange of information with other national agencies and international counterparts,
- Analysing available data to identify criminal networks
- The implementation of the UNCAC (United Nations Convention Against Corruption), which is key to the StAR agenda,
- Corruption and international trafficking in goods and foreign currencies,
- Targeted sanctions in application of relevant UN resolutions.
The trainees actively participated in the discussions, making them interactive and very practical. Feedback was very positive, as the training clearly filled a need identified by Tunisian authorities.

The World Bank and StAR will further discuss with the Central Bank and other authorities potential TA to improve the AML-CFT regime, including the supervision of financial institutions.

9. Workshop in Beirut, Lebanon, from February 11-13, 2019

- The Feb 11-13 workshop was the second instalment of the fourth phase of the program (the first was conducted in Tunisia in January 2019), wherein Lebanese experts who had completed the first 3 workshops, were called upon to conduct a basic training for their local colleagues.
- Four participants from our prior trainings led the workshop, with World Bank consultants present for support.
- The workshop brought together 35 new participants from seven different law enforcement and security agencies (Special Investigation Commission, General Security Directorate, Customs, Military Intelligence, International Security Forces, State Security, and the General Prosecutor's Office) to receive the basic training.
- The content was aimed at providing participants with a foundational understanding of CFT investigative techniques, with a heavy emphasis on participatory training (e.g. case studies and practical exercises).
- Overall, the results (as rated by participants) were positive or strongly positive. Many of the new participants requested follow on training.

10. Specific country assistance provided
The World Bank also provided specific technical assistance to four countries in MENA (Tunisia, Morocco, Iraq, West Bank-Gaza) and three countries in East Africa (Uganda, Kenya, Tanzania).

- **Tunisia (2 workshops)**: The World Bank team (one staff, 2 consultants) assisted the Tunisian authorities in developing and implementing their own methodology to conduct a national risk assessment exercise. *The final NRA was published in French and English in June 2017.* In addition, the team assisted Tunisian authorities (capital markets and insurance supervisory authorities) develop a more in-depth analysis of AML/CFT threats and vulnerabilities in this specific sector. In addition, from October 9-10, 2018 the World bank delivered a 1:30 hour presentation including q/a sessions in the context of a seminar organized by the Financial Intelligence Unit (CTAf) and the Tunis-Bar Association on the implementation of AML-CFT measures for legal professions. The seminar was attended by more than 100 practitioners. The session helped Tunisian authorities leverage on the message that Tunisian attorneys can cooperate with AML-CFT authorities without compromising their independence and their traditional missions in courts.

- **Iraq (1 workshop)**: In November 2016, a team composed of four bank staff and consultants delivered in Beirut (Lebanon) the Egmont Tactical Analysis Course to 20 members of the Iraqi FIU, the National Security Authority and the Central Bank of Iraq. The three-day course provided an overview of FIU’s key functions, the principles of information analysis, the assessment of risk and prioritization, how to add value to data, how to conduct analysis and how to present findings. The course included practical exercises including a mock case where participants were asked to analyze a money laundering scenario and present the results of their analysis.

- **Morocco (2 workshops)**: The World Bank team (3 staff, one consultant) helped the organisation of a workshop in Rabat (Morocco, 12-15 May 2016), to launch the National Risk Assessment of Morocco. To follow up, the team has organized a meeting in Rabat in October 2017 to meet with the heads of the working groups and address methodological questions. **Finally**, the World Bank team (2 staff, one consultant) helped the organization of a second workshop (February 12-14, 2019) to assist in the finalization of the National Risk Assessment report.

- **West Bank-Gaza**: After helping authorities prepare the first steps of the national risk assessment, the World Bank has conducted in March 2017 a workshop to launch the National Risk Assessment. The team is providing continuous technical assistance for the completion of this progress, including by holding frequent conversations on its implementation in the margins of MENAFATF plenaries.

- **Uganda**: The World Bank team (one staff, one consultant) held meetings with key TF stakeholders on June 2016 to support Ugandan understanding of the three UN-sanctioned groups: al-Shabaab, the Lord’s Resistance Army, and the Allied Democratic Forces (ADF).
Each threat was addressed in detail regarding its historical context, interactions with local populations, operational areas, sources of revenue, modus operandi and methods by which these groups transfer funds and allocate resources, as an input to the Ugandan National Risk Assessment and to inform aspects of the regional training.

- **Kenya:** Leveraging a new flagship program on the application of anti-money laundering tools to combat wildlife crime developed by the World Bank, incorporated a component to consider the connection between Terrorism Financing and wildlife crime into this 4-day course. This program was delivered in June 2017, to 31 participants from law enforcement and prosecutorial agencies directly involved in this crime type.

- **Tanzania:** The World Bank delivered a second wildlife workshop in November 2017 to 28 participants from agencies involved in the prosecution of wildlife crime. As part of the financial investigations training, participants considered and discussed the connection between terrorism financing and wildlife crime.

11. **Feedback from participants on activities, specifically the regional and national workshops**

Most participants completed the survey forms provided to them during the training sessions, offering feedback in terms of positives, negatives, and suggestions.

i) **Positives:**

- The practical exercises were very useful. It brought together all the issues discussed and simulated real life cases.
- The participants were well selected (multi-jurisdictional).
- The workshop increased participant ability to evaluate documents and other materials.
- Increased participant ability to carry out investigations.
- The session was hands-on and interactive.

ii) **Negatives:**

- The workshop needed to be longer.
- More time was needed for interaction and creation of bonds among the participants.
- More time needed to allow for participation by trainees.

iii) **Suggestions:**

- There should be frequent trainings to keep abreast of new criminal/terrorist techniques.
- The scope of the training should be increased to include prosecutorial skills.
- Allocate additional days for the training.