



Combating Illicit Financial Flows





Global Programme „Combating Illicit Financial Flows“

Issue, Relevance, Methodology



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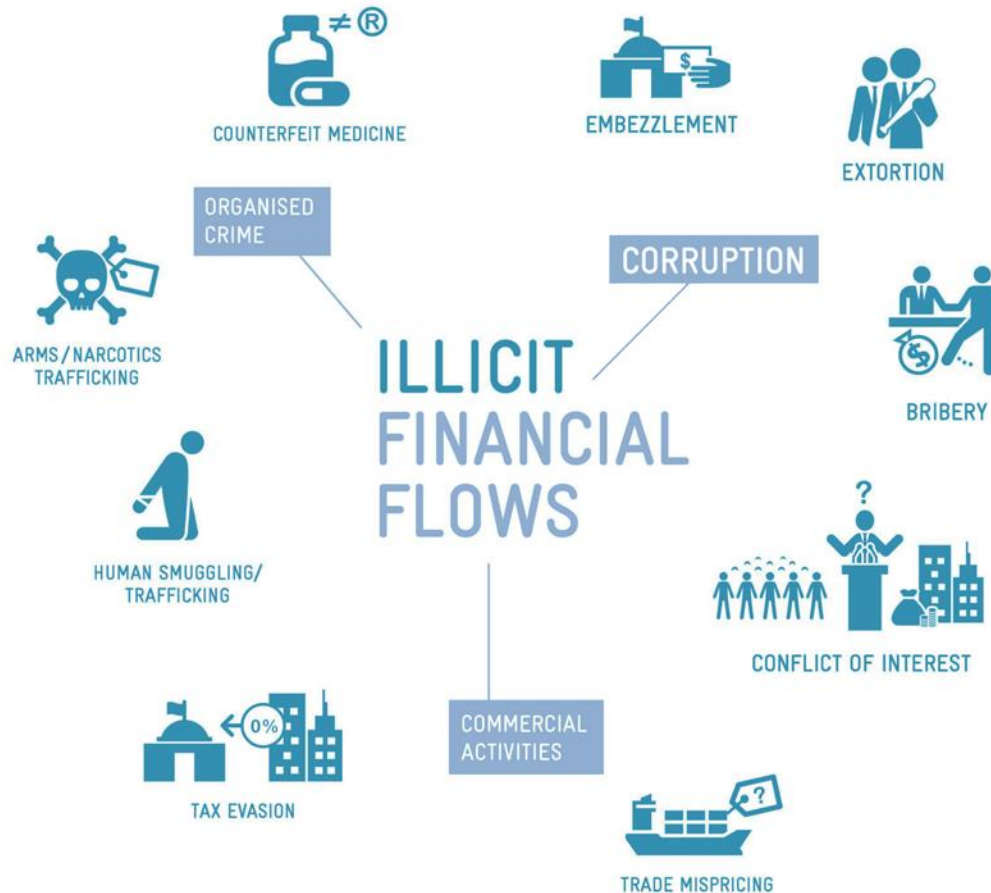
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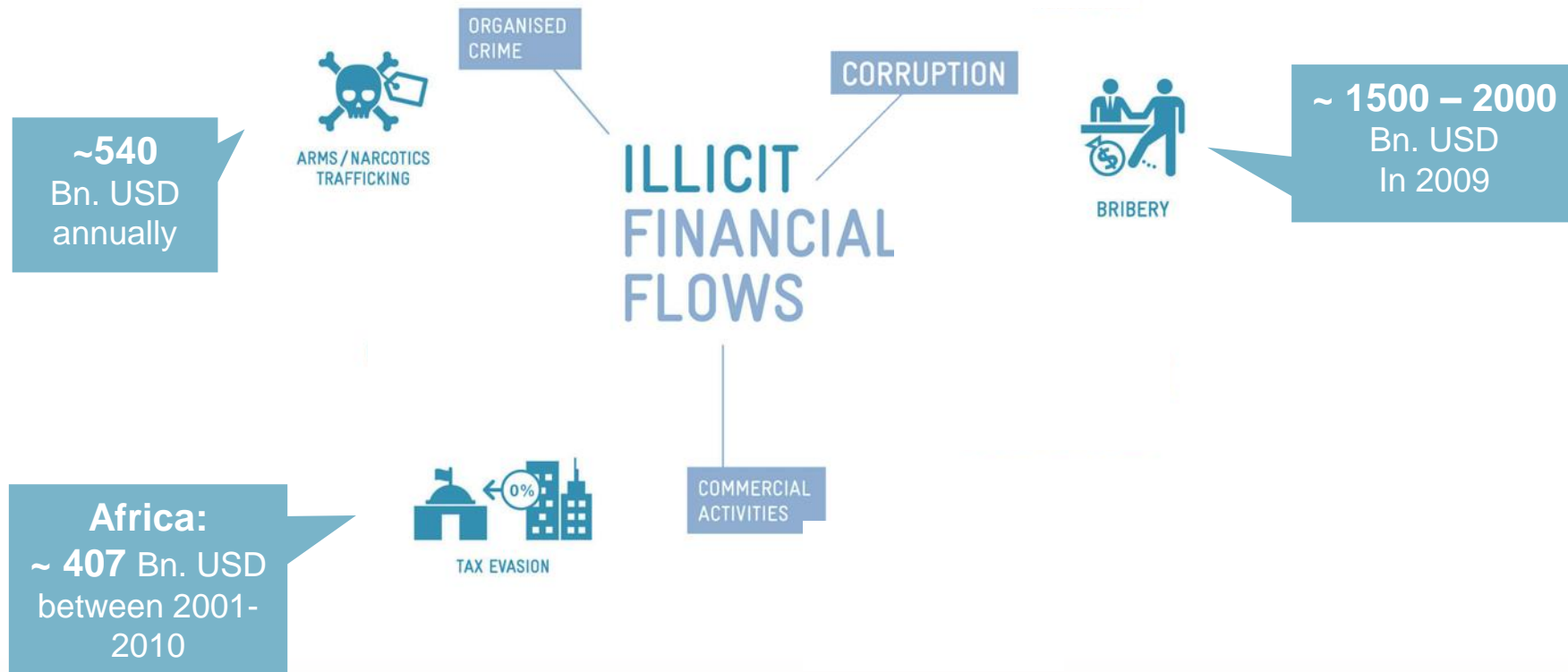


1. Definition





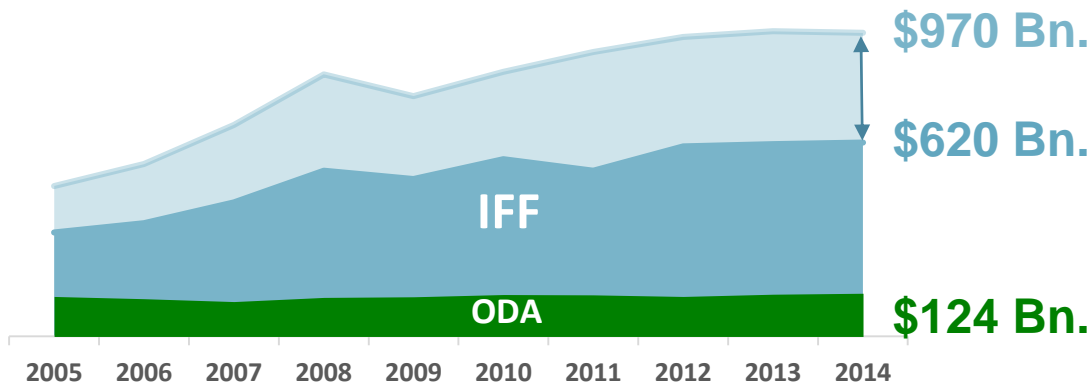
2.1 Relevance: Facts and Figures





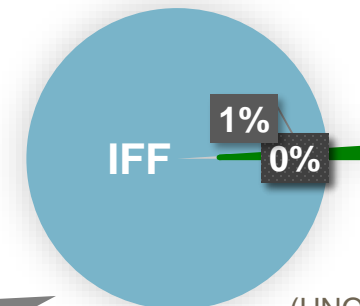
2.1 Relevance: Facts and Figures

Illegal outflow
From developing and emerging countries



GFI (2017) OECD (2017)

**Globally only 1% of IFF
confiscated or frozen**



(UNODC, 2011)



2.2 Relevance: Effects of IFF on Development

- **Impacts states at three levels:**
 - Domestic Resource Mobilisation
 - Stability, rule of law, security
 - Undermines productivity and Inclusive growth





2.3 Relevance: IFF in International Politics

- G20 / Compact with Africa
- Germany Marshall plan with Afrika“
- Agenda 2030
- OECD
- Addis Tax Initiative
- AU Agenda 2063





3.2 Programme: Methodology

GP has been commissioned to conduct activities in three areas:

- **Advising relevant authorities** on new formats for detecting and tracing IFF including money laundering.
- **Developing capacities of authorities** for international cooperation in criminal matters and Asset Recovery
- **Supporting national and international cooperation** by German federal ministries

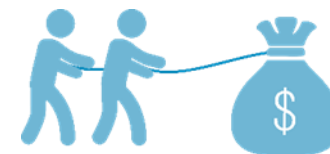




3.2 Programme: Methodology

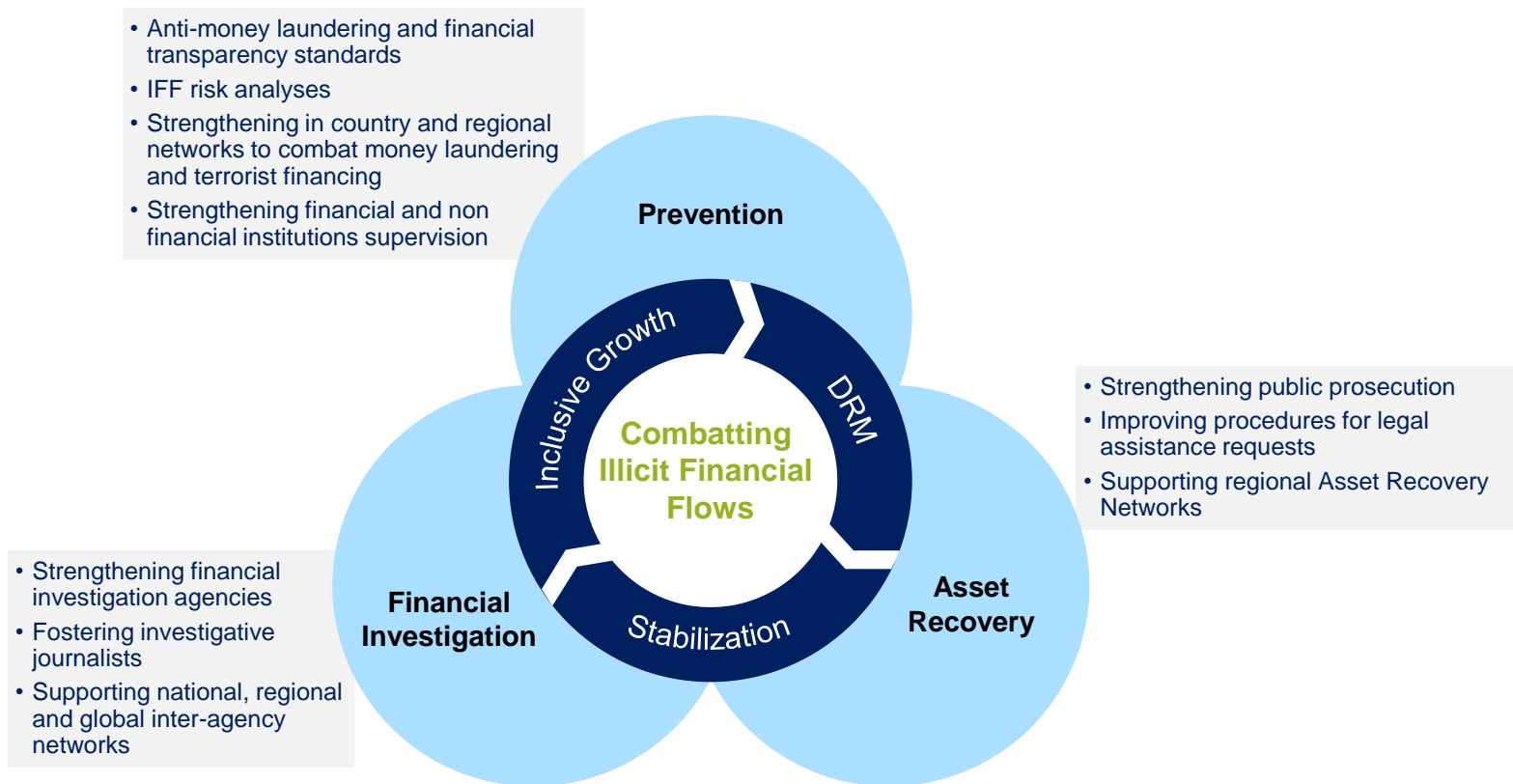
Three main areas of intervention in partner countries:

- **Prevention** e.g. through
 - risk analysis
 - adoption of compliance standards
 - Information exchange
 - transparency standards
- **Financial Investigation** e.g. through
 - Intera-gency networks
 - investigation capacity building
 - investigative journalism
- **Asset Recovery** e.g. through
 - Mutual legal assistance
 - Capacitating Asset Recovery Offices
 - Asset recovery networks



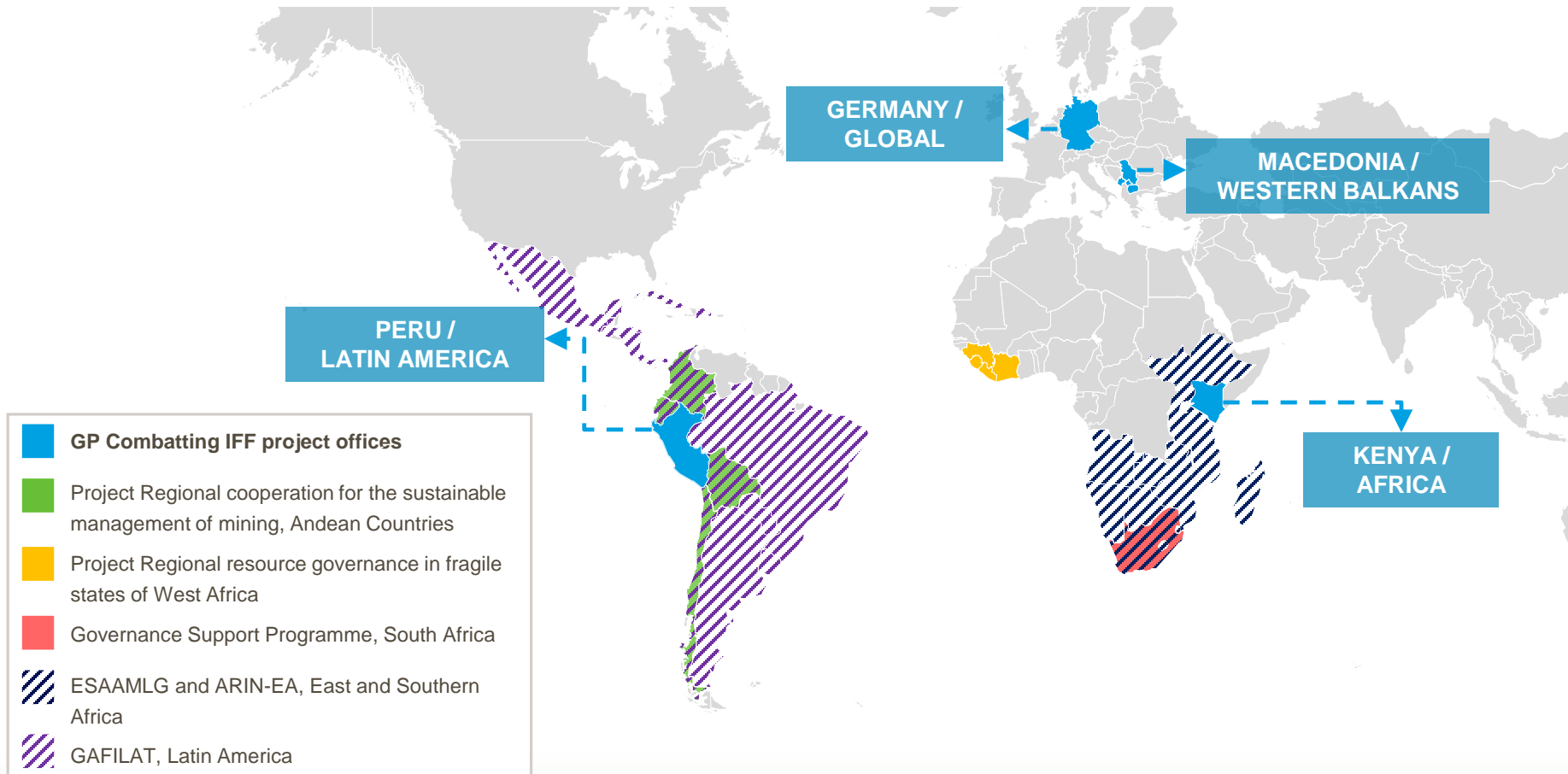


3.2 Programme: Methodology – Implementation Model:



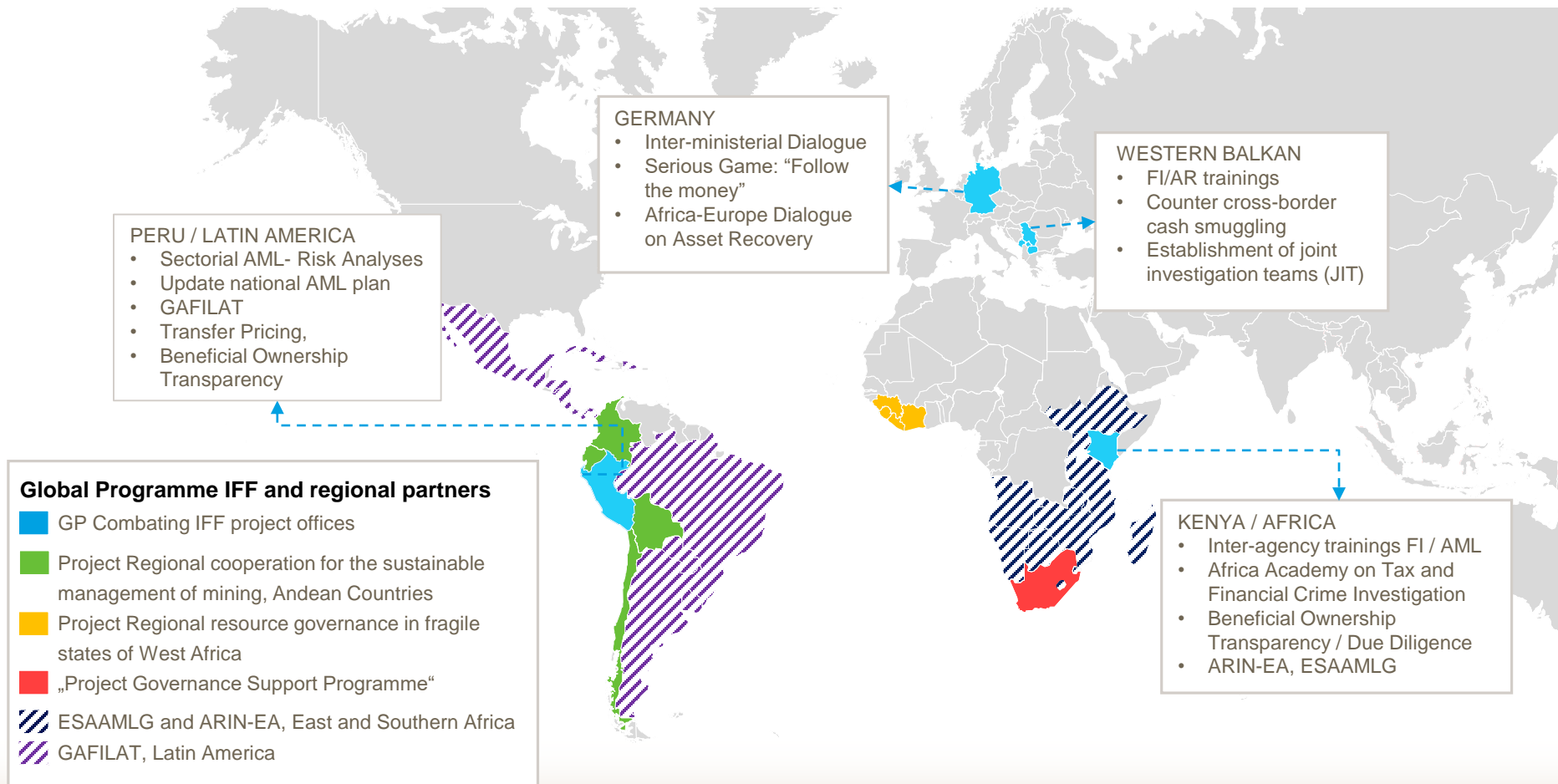


3.3 Programme: Implementation





3.3 Programme: Implementation





3.3 Programme: Implementation

Activity examples in partner countries:

– Prevention:

- Integrity Checks in Sierra Leone and Risk Analysis in Latin America



– Financial Investigation:

- IFF investigation training in Africa, Latin America and Western Balkans
- Training investigative journalism in MENA Region



– Asset Recovery e.g. through

- Support to ARIN-EA, BARIN.





3.5 Africa Hub Activities and effects so far

A. Prevention

ESAAMLG/Compliance

- Trained 35 Assessors on AML-CFT Compliance
- Production of a pocket size STRs reporting guide –with IMF
- 50 Officers from Financial Institutions sensitised on AML reporting
- Jointly with World bank supporting preparatory work for Kenya National Risk Assessment

Beneficial ownership transparency-Kenya

- Facilitating stakeholders consultation on BO requirements'
- Development of subsidiary guidelines on BO
- Record cleaning and digitization to prepare for the BO register
- Assessment for requirements to establish BO register-South Africa



3.6 Africa Hub Activities and effects so far

A. Financial Investigation

FIU Support

- DNFBPS sensitization on STRS and reporting obligations on AML CFT (Accountants, Lawyers, Real Estate)
- Financial Institutions sensitization on STRs and reporting obligations on AML-CFT
- Development of FIU Placement Framework **to enhance analytic capacity and south to south learning**

Enhancing investigation capacities

- Replication of the Multi Agency Task force (MAT) Investigation approach in the ARINEA region **-reduce costs of investigation and overlaps**
- Replication of Multi-Agency Structure for ARINEA in the region (Kenya, Ethiopia, Rwanda, Djibouti, Southern Sudan, Burundi)
- Training on Financial Investigations -Asset Tracing



3.6 Africa Hub Activities and effects so far

A. Asset Recovery

ARINEA AND EAAACA

- Jointly with EU, World Bank, UNODC and Interpol trained 170 officers on Asset Recovery and Forfeiture
- Development ARINEA/ EAAACA Strategic Plan and Mutual Legal Assistance framework for asset recovery
- Finalization of ARINEA Secure Information Exchange Website
- Facilitation of ARINEA's Focal Persons meetings on tracing and Asset Recovery
- Inter-regional workshop on MLA & Asset Recovery With German Experts and CARIN



3.4 Programme: Development

- GP IFF has been extended until 02/2019 (10 months) as „single measure“ of the Polifond.
 - Tentative budget: €1,7 million
- As of 02/2019 GP IFF is expected to be continued as IZR-programme for a term of 3 years.
- Increasing reliance on its own national project staff.
 - Activities in West-Balkans have commenced and are in the process of developing their full potential.
 - Cross boarder-picking national lessons to the sub-regional and to the global level-Complimenting bilateral interventions



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Thank You!