



ZIMBABWE

**NATIONAL ANTI-MONEY LAUNDERING AND COMBATING  
FINANCING OF TERRORISM STRATEGIC PLAN FOR THE PERIOD: 2015-2018**

**JUNE 2015**

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## INTRODUCTION

- 1.1. This is the second national Anti-Money Laundering and Combating Financing of Terrorism (AML/CFT) Strategic Plan, after the first AML/CFT three-year Strategic Plan for period 2010-2012. This plan covers the period 2015 to 2018. The framework provides the strategic direction that the Republic of Zimbabwe will continue to pursue, towards achieving its strategic objectives which are in line with regional initiatives within the Eastern and Southern Africa Anti- Money Laundering Group (**ESAAMLG**) and international best practice regarding the implementation of the Financial Action Task Force (**FATF**) AML/CFT standards.
- 1.2. The document, being a revision of the earlier strategic document, sets out revised vision and mission statements. The initial strategic objectives and their outputs build upon the achievements of the previous plan and have also been informed by the findings of the recently conducted Money Laundering and Terrorism Financing (ML/TF) National Risk Assessment.

## VISION STATEMENT

To build, sustain and co-ordinate an effective, responsive and adaptive AML/CFT framework consistent with international standards.

## MISSION STATEMENT

The establishment of the comprehensive AML/CFT framework shall be through the engagement of human and technical resources amongst relative local and international stakeholders.

## BACKGROUND

- 2.1 Zimbabwe is a member of the Eastern and Southern Africa Anti Money Laundering Group (ESAAMLG) since August 1999. Zimbabwe is obligated under the ESAAMLG Memorandum of Understanding (**MOU**) to formulate a national policy and national strategy to counter money laundering and financing of terrorism.

- 2.2 The national AML/CFT strategy 2015 -2018 has been developed in the context of the Government of Zimbabwe's (GOZ) commitment to fully implement ESAAMLG's regional initiatives and international best practices and standards on AML/CFT, with particular emphasis on achieving effectiveness in line with the revised FATF Standards.
- 2.3 Zimbabwe has demonstrated its commitment to implementing AML/CFT systems by enacting legislation that complies with the FATF Recommendations. The national strategies have been developed in line with the ESAAMLG initiatives and are premised on the understanding that the Government of Zimbabwe will mobilise resources required to implement the strategy, including approaching Cooperating partners for technical assistance where necessary.
- 2.4 Under the previous National Strategic Plan of 2010, the country placed emphasis on achieving technical compliance with the FATF Recommendations, more particularly a comprehensive review and realignment of the country's AML/CFT legal & institutional frameworks, as well as raising awareness among stakeholders.
- 2.5 Prior to the 2010-2013 Strategic Plan, Zimbabwe had in place various pieces of legislation that were relevant to combating ML and TF, including -
- The Bank Use and Promotion of Money Laundering Act, Ch. 24:24
  - The Serious Offences (Confiscation of Profits) Act, Ch. 9:17
  - The Criminal Procedure and Evidence Act, Ch. 9:07
  - The Prevention of Corruption Act, Ch. 9:16
  - The Anti-Corruption Commission Act, Ch. 9:22
  - The Suppression of Foreign and International terrorism (SFIT) Act, Ch. 11:21

2.6 Under the 2010-2013 Strategic Plan, the Government undertook a comprehensive review and revision of the AML/CFT legal framework, principally by passing the following pieces of legislation, aligned to the FATF Forty Recommendations.

The new pieces of legislation include:

- Money Laundering and Proceeds of Crime Act [Chapter 9:24], which provided a comprehensive AML/CFT framework, including criminalising ML and TF;
- Trafficking in Persons Act, 2014 [Chapter 9:25], which criminalised human trafficking in line with international standards;
- Amendments to the Criminal Law, (Codification and Reform) Act, in 2014, which criminalised sea piracy to enable the country's legal framework to deal with proceeds of crime emanating from piracy-related activities.
- Statutory Instrument 76 of 2014, which implements the requirements of United Nations Security Council Resolutions relating to the identification and freezing of assets of persons designated under the Taliban and Al Qaida sanction regimes.

2.7 During the same period Zimbabwe ratified / acceded to various international legal instruments related to AML/CFT issues including-

- The UN Convention on the Suppression of Financing of Terrorism; and
- The Protocol to Prevent, Suppress and Punish Trafficking in Persons.

2.8 Further, in line with legislative requirements, the ensuing period witnessed the strengthening of the AML/CFT institutional framework, including -

- increased national cooperation and coordination on AML/CFT operational issues, through the National Task Force on AML/CFT;
- Closer policy coordination through the Anti-Money Laundering Advisory Committee (AMLAC) whose composition encompasses key stakeholder national institutions on legal, law enforcement and financial sectors.

2.9 In June 2014, the country embarked on a National Risk Assessment process, which apart from being a national necessity was also undertaken as part of the country's regional and international obligations. Over 91 institutions from the both the public and private sector participated in the process which culminated in a NRA document, that not only identified the sectoral AML/CFT risks facing the country but recommended mitigation measures to be adopted. This National Strategic document is in part guided by these findings.

### STRATEGIC OBJECTIVES FOR PERIOD 2015 – 2018

3.1 Having attained the above stated milestones, the country now plans to focus on increasing the effectiveness of the legislation so enacted, to combat ML and TF. It also plans to enhance the efficiency of the structures created by these pieces of legislation in their fight against ML and TF.

3.2 In order to meet these objectives, the country therefore plans and proposes;

- (a) To increase the effectiveness of the country's AML/CFT systems to detect, investigate and prosecute cases of money laundering, related predicate offences and financing of terrorism.
- (b) To increase the country's effectiveness in identifying / tracing and confiscating proceeds and instrumentalities of crime and funds related to financing of terrorism.
- (c) To increase capacity of AML/CFT stakeholder institutions in Zimbabwe and render them more effective
- (d) To enhance national cooperation as well as Zimbabwe's cooperation with other jurisdictions and with regional and international bodies on AML/CFT issues.
- (e) To regularly assess / review the country's money laundering and financing of terrorism risks and align AML/CFT policies in line with the country's risks.
- (f) To monitor and review implementation of this National AML/CFT Strategy on an ongoing basis.

### **3.3 Identify and assess the country's Money Laundering and Financing of Terrorism threats and risks, on an ongoing basis, and implement risk-based measures to mitigate the risks**

#### **A. Expected Output:**

- Progressive reduction of the overall ML threat in the country over the period 2015-2018.
- Ensuring in-depth understanding of ML and TF risks and implementation of risk-based measures at national, sectoral and institutional level.

#### **B. Strategies**

- Identification and assessment of national ML and TF risks, under the coordination of the National Task Force on AML/CFT.
- Ongoing review and reassessment of national ML and TF risks at intervals of not more than four years.
- Implementation of risk-based measures to combat ML and TF.
- Deployment of material and manpower resources to areas of high ML vulnerability.
- Expand AML/CFT oversight into areas considered as high risk.
- Promote acquisition and development of IT-based systems to assist in detecting and sharing relevant AML/CFT information.

### **3.4 Increase effectiveness of Zimbabwe's AML/CFT systems to detect, investigate and prosecute cases of ML/TF**

#### **A. Expected Output**

- Progressive increase in the number of ML cases, associated predicate offences and TF cases detected, investigated and successfully prosecuted in the country.
- Enhance the capacity of competent authorities and institutions involved in the detection, investigation and prosecution of ML, related predicate offences and TF cases

#### **B. Strategies**

- Enhance the capacity of competent authorities involved in the investigation and prosecution of ML, related predicate offences and TF cases, through training and allocation of adequate resources.
- Continuous effective training, monitoring and supervision of financial institution and Designated Non-Financial Businesses and Professions (DNFBPs).
- Enhancing cooperation with other jurisdiction in the areas of investigation and prosecution of ML, associated predicate offences and TF cases.

### **3.5 To increase the country's effectiveness in identifying, tracing and confiscating proceeds and instrumentalities of crime and funds related to financing of terrorism.**

#### **A. Expected Output**

- Progressive increase in confiscation levels of proceeds and instrumentalities of crime and ensure that criminals are deprived of illicit gains.

#### **B. Strategies**

- Review and strengthen the country's asset forfeiture legal framework



- Strengthen the asset forfeiture institutional framework through provision of adequate resources to investigative and prosecuting authorities.
- Provide adequate training to competent authorities involved in financial investigation of money laundering and terrorist financing cases.
- Sustain and Expand existing Special Economic Crime Courts which deal specifically with ML/TF issues with stand-alone infrastructure and statutes.

### **3.6 Enhancing National Cooperation as well as International Co-operation on AML/CFT Issues**

#### **A. Expected Output**

- Maintaining and strengthening national cooperation among competent authorities and stakeholders, particularly through the National Task Force on AML/CFT.
- Promoting policy coordination among competent authorities, through the auspices of the Anti-money Laundering Advisory Committee.
- Cooperation with and active participation in the activities of regional and international organisations that promote AML/CFT issues

#### **B. Strategies**

- Review and strengthening of legislation relating to national cooperation and policy coordination, with a view to removing unnecessary legal impediments to cooperation.
- Promoting sharing and exchange of information on AML/CFT issues, through Memorandum of Understanding among competent authorities as well as through any other formal or informal means.

## CONCLUSION

- 4.1 The 2<sup>nd</sup> National AML/CFT Strategic Plan is an indication of the determination of the country to continue to strengthen the country AML/CFT framework.
- 4.2 While Government is committed to playing its part, Government recognises that implementation of AML/CFT is a multi-stakeholder and national effort requiring commitment from all stakeholders in both the public and private sectors.
- 4.3 As part of its National Strategic objective, Government also commits itself on the need to implement the Post NRA Detailed Action Plan arising from the recently concluded NRA. This Post NRA Implementation Action Plan is hereto attached to this document.
- 4.4 Similarly the Government also pledges to address all AML/CFT deficiencies that will be identified through the ESAAMLG Second Round Mutual Evaluation as part of its overall strategy in this planning period.
- 4.5 Cognisant of the view that AML/CFT vulnerabilities are dynamic, Government also commits itself to regularly review the ML/TF environment as well as its framework to ensure that the country is not susceptible to changes and modifications on methods and trends of ML/TF. To this effect, another NRA will be conducted at the end of this planning period, in order to give guidance to the next strategic plan after 2018.

**GOVERNMENT OF ZIMBABWE**

**JUNE 2015**