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ANNEX 7

of the Commission Implementing Decision on the financing of the multiannual action plan in favour of Sub-Saharan Africa for 2022-2024 Part 1

Action Document for Countering transnational organised crime and terrorist groups by targeting illicit financial flows in East, Southern, Central Africa and Yemen

MULTIANNUAL PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and plan in the sense of Article 23(2) of NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

| | |
|---|---|
| 1. Title CRIS/OPSYS business reference Basic Act | Countering transnational organized crime and terrorist groups by targeting Illicit Financial Flows in East, Southern, Central Africa & Yemen (AML/CFT ESCAY) CRIS number: NDICI AFRICA/2021/043-675 OPSYS number: ACT-60637 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe) |
| 2. Team Europe Initiative | Yes TEI to support Africa in combating Illicit Financial Flows and Transnational Organized Crime (Continental). |
| 3. Zone benefiting from the action | The action shall be carried out in the following beneficiary countries of the Horn and East Africa, and in partnership with neighbouring countries in parts of Southern Africa, Central African countries, and Yemen, indicated below with their respective Financial Action Task Force Style Regional Body (FSRB) membership: <ul style="list-style-type: none"> • Eastern and Southern Africa Anti Money Laundering Group (ESAAMLG) (12): Botswana, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Mozambique, Rwanda, Seychelles, South Africa, Tanzania, Uganda; • Middle East and North Africa Financial Action Task Force (MENAFATF) (4): Djibouti, Somalia, Sudan, Yemen; • Groupe d’Action contre le blanchiment d’Argent en Afrique Central (GABAC) (6): Cameroon, Central African Republic, Chad, Republic of the Congo, Democratic Republic of the Congo (DRC), Equatorial Guinea, • Inter-Governmental Action Group against Money Laundering in West Africa (GIABA) (1): São Tomé e Príncipe Non-FSRB (4) : Burundi, Comoros, Eritrea and South-Sudan |
| 4. Programming document | Multi-Annual Indicative Programme for Sub-Saharan Africa |

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|---|---|-------------------------------------|-------------------------------------|----------------------------|
| 5. Link with relevant MIP(s) objectives/expected results | <p><i>Specific objective 2: Reduce the incidence, duration and intensity of violent conflicts in Africa and contribute to effective prevention, protection against and response to transnational security threats, including organized crime, across the continent.</i></p> <ul style="list-style-type: none"> - Result 2.5: Capacities of pertinent/specialised institutions and frameworks for the prevention of and combat against illicit financial flows, money laundering and the financing of terrorism are enhanced. | | | |
| PRIORITY AREAS AND SECTOR INFORMATION | | | | |
| 6. Priority Area(s), sectors | Priority area 2 – Democratic Governance Peace and Security, and Culture DAC Code 151- Government & Civil Society-general CRS Code 15130 - Legal and judicial development | | | |
| 7. Sustainable Development Goals (SDGs) | Main SDG: SDG 16 to promote just, peaceful and inclusive societies Specific targets: 16.4: to significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime 16.a: to strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime. | | | |
| 8 a) DAC code(s) | DAC Code 151- Government & Civil Society-general – 20% CRS Code 15130 - Legal and judicial development – 80% | | | |
| 8 b) Main Delivery Channel @ | 11004 Other public entities in donor country | | | |
| 9. Targets | <input type="checkbox"/> Migration <input type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance | | | |
| 10. Markers (from DAC form) | General policy objective @ | Not targeted | Significant objective | Principal objective |
| | Participation development/good governance | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Aid to environment @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Gender equality and women's and girl's empowerment | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Trade development | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Reproductive, maternal, new-born and child health | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Disaster Risk Reduction @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Inclusion of persons with Disabilities @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Nutrition @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | RIO Convention markers | Not targeted | Significant objective | Principal objective |

| | | | | |
|---------------------------------------|--|-------------------------------------|--|--|
| | Biological diversity @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Combat desertification @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Climate change mitigation @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Climate change adaptation @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Internal markers and Tags: | Policy objectives | Not targeted | Significant objective | Principal objective |
| | Digitalisation @ Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy digital services | <input checked="" type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| | Connectivity @ Tags: transport people2people energy digital connectivity | <input checked="" type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| | Migration @ (methodology for tagging under development) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Reduction of Inequalities (methodology for marker and tagging under development) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Covid-19 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | BUDGET INFORMATION | | | |
| 12. Amounts concerned | <p>Budget line(s) (article, item): BGUE-B2022-14.020121-C1-INTPA: EUR 3 250 000 BGUE-B2022-14.020122-C1-INTPA: EUR 1 750 000</p> <p>Total estimated cost: EUR 5 000 000 Total amount of EU budget contribution: EUR 5 000 000</p> <p>Finland, France, Germany, Netherlands and Sweden have also committed to contribute to the TEI to support Africa in combating Illicit Financial Flows and Transnational Organized Crime. Amounts to be confirmed.</p> | | | |
| MANAGEMENT AND IMPLEMENTATION | | | | |
| 13. Type of financing | Indirect management with Civipol | | | |

1.2. Summary of the Action

Transnational organised crime (TOC) and terrorism are among the most important threats to peace, security and stability around the world and in particular in Sub-Saharan Africa (SSA). Given the volume of capital generated and moved illegally by TOC and terrorist groups, it has been demonstrated that they can distort markets and financial structures, notably through Money Laundering (ML) and corruption, therefore diminishing the prospects of socio-

economic development, as well as governments' efforts to achieve the Sustainable Development Goals (SDGs). It is now increasingly recognised that targeting the financing and proceeds from serious criminal activities and terrorism is one of the key strategies to effectively mitigate these threats. This can notably be achieved by ensuring robust financial investigations and prosecutions, and ensuring the implementation of powerful Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) frameworks.

The **overall objective** of this action is to contribute to reduce the incidence of transnational organized crime and terrorism in Eastern, Central, Southern Africa, as well as in Yemen.¹ In order to achieve this goal, two **specific objectives** should be achieved through this Action, namely:

1. Effective, cooperative, gender-sensitive response against illicit financial flows (IFFs) linked to transnational organized crime and the financing of terrorism in national public and private entities is improved
2. Effective and gender-sensitive regional, inter-regional and international cooperation in the fight against IFFs and money laundering linked to transnational organized crime and the financing of terrorism is improved

The Action intends to contribute to Priority area 2, Specific Objective 2 and Expected Results 2.3 and 2.5 of the Regional MIP for Sub-Saharan Africa. It is moreover aligned with the Global Strategy for the EU Foreign and Security Policy, the EU Strategy to tackle Organised Crime and the Communication Towards a comprehensive Strategy with Africa. It should also primarily contribute to achieve SDG 16, in particular goal 16.4 (“significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime”). It will also substantially contribute to achieving the objectives laid down in the (continental) TEI to support Africa in combating Illicit Financial Flows and Transnational Organized Crime, in particular of component 2 (“Enhancing TOC & IFF related Law Enforcement, prosecutorial and judicial capacities and capabilities”).

This Action is conceived as an extension of the ongoing regional project “Disrupting criminal trafficking and smuggling networks through increased anti-money laundering and financial investigation capacity in the Greater Horn of Africa” (AML/THB in GHoA).² Since July 2019 the project has been providing critical support to beneficiary countries and regional institutions so they can better perform their role in investigating and prosecuting the financing of organised crime groups and terrorist financing streams and, thus, to disrupt such activities. The project is due to come to an end in June 2022 after three years of successful implementation.

As a continuation, this Action will continue consolidating international best practices and cooperation models into national, intra-regional and inter-regional frameworks - thereby contributing to enhancing the internalization and effectiveness of international standards in partner countries. Indeed, in addition to national capacity building, a key component of the project has been the development of regional cross-border fora for intelligence and expertise sharing, building the networks vital for clear communication and coordination between national agencies (notably law enforcement agencies and the judicial institutions).

Instead of focussing the intervention on the Trafficking in Human Beings (THB) and the Smuggling of Migrants (SoM) as the AML/THB project has been doing, this Action intends to expand the scope of criminal activities targeted by financial investigations and prosecutions to encompass other forms of transnational and serious organised crime, such as the trafficking in arms, narcotics, wildlife or cultural goods, that also proliferate in the region. Such shift comes from the lesson learned during the implementation of the project, as well as from a number of expert analyses that stress the need to move away from the focus on specific commodities to embrace a more thorough approach to the fight against TOC. Such approach is also justified by the increasing convergence of different forms of organised crime in the continent.³ Moreover, the techniques and methodologies applied in the investigation and prosecution of

¹ For the purpose of this Action, the term “illicit financial flows” refers to only two categories of IFFs as defined by UNODC / UNCTAD, namely IFFs generated by illegal, exploitation-type activities and financing of crime and terrorism as well as IFF related to corruption. As such, the Action should not directly tackle IFFs related to tax and commercial practices. See more: https://www.unodc.org/documents/data-and-analysis/statistics/IFF/IFF_Conceptual_Framework_FINAL.pdf

² This is a EUR 5 million project financed under the EUTF for Africa, Horn of Africa Window (T05-EUTF-HOA-REG-62) and implemented by Civipol. For more information see: <https://www.aml-thb.eu> This project is in fact a follow up of the regional project “Anti-Money Laundering/Countering the Financing of Terrorism in the Greater Horn of Africa (AML/CFT Project in the GHoA), which ran from 2014 to 2019 with a similar budget (financed under the IcSP art. 5), similar beneficiary countries and also implemented by Civipol.

³ “Transnational crime converging across Africa”, Interpol, ENACT Analytical Reports, 2018, available at <https://enactafrica.org/press/press-releases/transnational-crime-converging-across-africa-undefined-interpol>

IFFs linked to criminal activities and in particular AML and CFT tend to be very similar across different forms of TOC, which reinforces the plea for a focus on the dynamics and networks, instead of specific commodities.

This extension should also expand the geographic coverage of the Action to cover 27 (instead of the current 16⁴) countries across Eastern, Southern and now also Central Africa regions. This geographic expansion will allow the Action to bring together neighbouring countries to tackle together common trans-border threats. All these countries have expressed their interest in enhancing their national capabilities in investigating financial aspects of organised crime and terrorism (including money laundering and the financing of terrorism), use of financial evidence in prosecutions, and further leveraging the role and knowledge of financial institutions and civil society organisations to do so. In addition, a core component of the proposed Action will continue to enhance both intra-regional and inter-regional forums and exchange mechanisms, leading towards enhanced levels of mutual operational investigative and legal assistance.

The proposed Action will moreover mainstream gender and thus contribute to the implementation of the Gender Action Plan III⁵ and promote gender equality and women's empowerment and reduce any form of gender discrimination. Activities implemented in conflict-sensitive countries where Conflict Analysis Screenings are ongoing or are planned, will take into account the outcome of such analyses.

2. RATIONALE

2.1. Context

As the threats related to IFFs evolve, and given the cross-border nature of the phenomenon, increasing pleas for more integrated and coordinated responses have emerged across the globe in recent years. There is moreover increasing evidence of the connections between IFFs generated by organised crime and terrorist groups in different parts of the world, underscoring the need to collective actions to prevent and combat the use of the international financial system for the purposes of Money Laundering (ML) and the Financing of Terrorism (FT). Such pleas are even more acute in the African continent where the phenomenon has taken impressive dimensions and act as both a product of and driver of insecurity, undermining of the rule of law, and an obstacle to sustainable development.⁶

In the last decade, thus, demands for more effective and concerted action against IFFs have been at centre stage of a number of EU, international and African policy dialogues, political documents and regulations. The African Union (AU) Agenda 2063 stresses for instance that curbing IFFs as a key tactic to achieving domestic resource mobilisation as a source of finance.⁷ A similar objective also appears in the Addis Ababa Action Agenda, which has committed to substantially reduce IFFs by 2030.⁸

At the international level, in addition to the Financial Action Task Force (FATF) Recommendations,⁹ among the most important regulatory development regulating these issues is the UN Security Council Resolutions 2331(2016) and 2388 (2017) that direct member states to enhance use of financial investigations and the Anti Money Laundering (AML)/Combating Terrorist Financing (CFT) framework to target the illicit fund flows from TOC. These UN resolutions encourage states to work together to develop that capacity, and, in this regard, it further encourages relevant UN entities and other international and regional organisations to provide other states, upon their request, with the financial, material and technical assistance that they may require to build this capacity. Equally relevant documents to equip and guide countries in the fight against IFFs related to TOC as well as the FT are the United

⁴ Originally, Djibouti, Ethiopia, Eritrea, Kenya, Tanzania, Uganda, Sudan, South Sudan, Somalia and Yemen are beneficiary countries of the project. Comoros, Madagascar, Malawi, Mauritius, Mozambique and Seychelles have been integrated in a second phase as “observers” of the project and as such they can benefit from the activities/trainings in an ad hoc basis. In this extension, these countries will be integrated as beneficiary countries and as such benefit from long-term, structured technical support.

⁵ “EU Gender Action Plan (GAP) III – An Ambitious Agenda for Gender Equality and Women’s Empowerment in EU External Action”, JOIN(2020) 17 final, available at: https://ec.europa.eu/international-partnerships/system/files/join-2020-17-final_en.pdf

⁶ Hunter, M. “African illicit financial flows. Designing and prioritising responses”. ENACT Research Paper, November 2019.

⁷ African Union, Agenda 2063: The First Ten Year Implementation Plan (FTYIP), 2015, <https://au.int/en/agenda2063/ftyip>.

⁸ Resolution adopted by the General Assembly on 27 July 2015: Addis Ababa Action Agenda of the Third International Conference on Financing for Development (Addis Ababa Action Agenda) (A/RES/69/313).

⁹ The 40 FATF Recommendations, complemented by the Eight Special Recommendations on Terrorist Financing, are an internationally recognized, comprehensive framework that set the minimum standards for action so countries’ regulatory systems and criminal justice are sufficiently equipped to fight money laundering and terrorist financing.

Nations Convention Against Corruption (UNCAC)¹⁰ and the United Nations Convention against Transnational Organized Crime (UNTOC) and related Protocols.¹¹

European countries are among the major recipients of IFFs coming from African countries. Given the risks they represent to the EU security and the robustness of its financial system, the fight against IFFs, and in particular the mitigation of risks related to ML and the FT are at the core of the EU external action and agenda, notably in the African continent. While the Common Foreign and Security Policy and the Common Security and Defence Policy remain the essential components of EU efforts to countering organised crime with its international partners, a number of other documents have been more recently stressing the need to also target their financial dimension for more effective results.

The fight against IFFs as a way to increase investor's confidence and thus enhance sustainable economic growth efforts is one of the key areas of action of the 2020 EU comprehensive strategy with Africa.¹² The Strategy stressed moreover the EU's intention to "step up cooperation on democratic governance and rule of law on both continents, including accountability and transparency of public institutions; independent and impartial justice, corruption and transnational crimes as well as trafficking in human beings".

The EU position on these matters is expressed in the EU's Security Union Strategy for 2020-2025¹³ that outlined the importance of enhancing anti-money laundering and countering terrorist financing frameworks in order to protect citizens from terrorism and organised crime. Likewise, the EU 5-year strategy on organised crime (2021-2025)¹⁴ also highlighted the cross-border nature of organised crime and the widespread use of money laundering (ML), stressing that, in order to combat organised crime, there is a real need to boost law enforcement and judicial co-operation and make sure crime does not pay. With national authorities operating on frontline, the need for regional and international partnerships become then "paramount to ensure effective co-operation as well as information and knowledge exchange among national authorities".

In Africa, the EU has been supporting different initiatives to enhance law enforcement agencies (LEAs) and judicial bodies so they are better equipped to efficiently adopt a "follow (and recover) the money" approach to the fight against different criminal activities, as well as terrorism.

Launched in 2019 as a follow up phase to the AML/CFT¹⁵ project, the AML/THB¹⁶ initiative has been one of the key EU initiatives providing technical support to African countries in the Horn and East Africa, as well as Yemen on these matters. In the last years the project has continuously been working to reinforce capacities, raise awareness and enhance cooperation so national and regional bodies are able to develop and implement more coordinated responses to complex cross-border crimes and the financing of terrorism (FT).

Since July 2019, the project has provided 45 training activities of different types¹⁷, involving 1277 individuals from different institutions from FIUs, Law Enforcement Agencies (LEAs), the judiciary (e.g. judges and prosecutors) to private sector organisations across the 16 beneficiary countries.

As the AML/THB project reaches its final stages, a follow up phase seems needed in order to continue embedding and consolidating international best practices and cooperation schemes into national and regional frameworks, thus ensuring the long-term sustainability of many of the activities initiated. This is the case notably of the regional Train-of-Trainers (ToT) scheme and the different joint work programmes with several national and regional organizations

¹⁰ Available at <https://www.unodc.org/unodc/en/corruption/uncac.html>

¹¹ The 2000 UNTOC adopted by General Assembly resolution 55/25 of 15 November 2000 and also known as the Palermo Convention has three Protocols, namely: the Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children; the Protocol against the Smuggling of Migrants by Land, Sea and Air, and the Protocol against the Illicit Manufacturing and Trafficking in Firearms, Their Parts and Components and Ammunition. All documents are available at <https://www.unodc.org/unodc/en/organized-crime/intro/UNTOC.html>

¹² "Towards a comprehensive Strategy with Africa", JOIN(2020) 4 final.

¹³ COM(2020) 605 final.

¹⁴ COM(2021) 170 final.

¹⁵ "Anti-Money Laundering and Countering the Financing of Terrorism in the Greater Horn of Africa" (AML/CFT GHoA) project (2015-2019) funded by the IcSP art. 5.

¹⁶ "Disrupting criminal trafficking and smuggling networks through increased anti-money laundering and financial investigation capacity in the Greater Horn of Africa" (AML/THB) project funded by the EU Trust Fund for Africa (2019-2022). See also: https://ec.europa.eu/trustfundforafrica/sites/default/files/t05-eutf-hoa-reg-62-disrupting_trafficking_networks_i6efipu.pdf

¹⁷ Capacity-building activities cover the whole spectrum of the AML/CFT cycle targeting a broad audience, from FIUs, judges, prosecutors, or the private sector. The themes tackled in these activities range from "Operational Financial Analysis and Risk Assessment" to the "Role of Financial Institutions in Disrupting Illicit Financial flows", among many others. For more detailed information see: <https://www.aml-thb.eu/what-we-do/>

developed and implemented by the project. Indeed, since July 2019, the project has signed Memoranda of Understandings (MoUs) with the Intergovernmental Authority on Development (IGAD), the East African Community (EAC), the Judicial Training Institute of Kenya and the Attorney General Alliance Africa (AGA-Africa)¹⁸. Similar collaboration/work agreements have also been signed with Interpol, Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG), Asset Recovery Inter-Agency Network for Eastern Africa (ARIN-EA)¹⁹ and the Eastern Africa Association of Anti-Corruption Authorities (EAAACA)²⁰. These joint-work arrangements have been fundamental to build trust and often materialize working relationships key partner institutions and stakeholders and should be enhanced by this Action.

In this follow up phase, however, the geographical scope should be expanded beyond the current reach to encompass notably neighbouring countries in Southern and Central Africa as a way to ensure greater coherence, cooperation and coordination in the fight of common challenges. Indeed, the trans-border nature of TOC and terrorism makes it particularly difficult for law enforcement agencies (LEAs) and judicial bodies to adopt a systematic, standardized and exclusively national approaches to dismantling TOC and terrorist groups and their business models.

Likewise, in this extension, the Action will target different forms of TOC, namely the 21 categories of offences²¹ as defined by the FATF, in addition to the financing of terrorism (FT), going thereby beyond the focus on specific commodities or only one type of criminal activity. This is a reflection of the growing awareness among national and regional stakeholders and practitioners of the importance of adopting a holistic approaches to transnational organized crime (see below). This implies, first, that that programmatic (and policy) responses need to look beyond specific commodities and focus the broader picture, tackling the different networks of groups and their business/financial operations in order to efficiently and effectively tackle these threats. Second, it also reinforces the need to enhance national capabilities so (trans-)regional cooperation is favoured and enhanced.

This Action should also focus on IFFs *linked to criminal activities*²² instead of solely on AML/CFT mechanisms and tools. Indeed, while money laundering is often considered a proxy for IFFs generally, it is rather the process by which the proceeds of crime are entered (layered) into the legitimate financial system.

2.2. Problem Analysis

According to the United Nations Conference on Trade and Development (UNCTAD), Africa is losing nearly US\$ 89 billion per year in Illicit Financial Flows.²³ This figure corresponds to 3.7% of Africa's GDP and to more than it receives in development aid. Even if IFFs sources in the continent are varied, the different forms of transnational organised crime present in the continent, such as the trafficking in human beings, arms, wildlife or the smuggling of narcotics, are among the main generators of illicit capital. Indeed, Global Financial Integrity²⁴ estimates that between US\$1.6 trillion to US\$2.2 trillion is generated annually from transnational organised crime across developing nations.

In Africa alone, IFFs generated by criminal activities and corruption contribute to an estimated US\$88 billion in capital flight from the continent, undermining the rule of law, endangering economic and financial stability, and weakening social cohesion within and across nations. Only in the mineral/mining sector, "billions of dollars' worth of gold" are said to be fleeing the African continent every year through the Middle East to eventually reach European

¹⁸ AGA-Africa is a U.S.-based organization that seeks to build and foster robust relationships with justice and law enforcement agencies and officials throughout Africa to support the rule of law and combat transnational criminal activity through collaboration with different stakeholders in the justice and law enforcement sectors in Africa to share information, training, technology and experience in the fight against transnational crime networks including human trafficking, wildlife trafficking, counterfeit drugs, corruption, money laundering, and cybercrime. See <https://www.agalliance.org/aap/>

¹⁹ ARIN-EA is a multi-agency informal network which aims at informal exchange of information on individuals, assets and companies, at the regional and international level so as to facilitate the effective tracing and recovery of proceeds of crime and deprive criminals of their illicit gains See <https://eaaaca.com/about-arinea>

²⁰ EAAACA is composed by the Anti Corruption Agencies of Kenya, Tanzania, and Uganda to promote and facilitate regional co-operation, mutual legal and technical assistance in the prevention and combating of corruption in the region, to share information, hold trainings and carry out joint research. See <https://eaaaca.com/about-eaaaca>

²¹ Financial Action Task Force "Designated categories of offences" <https://www.fatf-gafi.org/glossary/d-i/>

²² See footnote 16.

²³ UNCTAD, Economic Development in Africa Report 2020, Tackling Illicit Financial Flows for Sustainable Development in Africa, UNCTAD/ALDC/AFRICA/2020.

²⁴ Global Financial Integrity, "Transnational Crime and the Developing World", 2017, available at: <https://gointegrity.org/report/transnational-crime-and-the-developing-world/>

markets often in an illegal manner. These resources, though important in size and volume, do not benefit however producing countries and their population as no taxes are actually paid over such transactions.²⁵

In many Sub-Saharan African countries, organized crime activities tend to go hand-in-hand with corruption and wider governance failures as criminal groups actively undermine law enforcement, the justice sector, and political structures to operate their businesses. Their use of violence further contributes to already unstable political and security contexts.²⁶

Similarly, increasing evidence shows a direct connection between different forms of cross-border crime in Africa. According to Interpol, “traffickers are progressively diversifying and interconnecting their activities, including drug trafficking, people smuggling, arms trafficking, wildlife crime, illegal logging, as well as fake medicines. Trafficking in cultural artefacts increasingly involves criminal organisations across the continent”.²⁷ These groups heavily rely on the illicit flow of capitals to cover their economic and logistical needs, such as weapons, ammunition, vehicles and fighters willing to fight for their cause.²⁸

Numerous studies also show a growing connectivity between criminal groups operating across the Horn, East Africa and neighbouring countries in Central and Southern Africa. Many of these groups tend to have extended links as well with the Arab Peninsula²⁹, even if the final destinations of the commodities and/or financial flows generated by these criminal activities are generally Europe, North America and Asia. To detect, prevent and stem these activities it is vital to ensure that information on criminal and terrorist financial flows is enhanced, both intra-regionally and inter-regionally, as well as internationally.

Despite the progress achieved in recent years in many countries, financial investigations still do not systematically accompany criminal proceedings from the start, and even when they do, their effectiveness remains limited. Likewise, many law enforcement officers still do not receive adequate training to gain awareness and improve their financial investigation techniques. Prosecutors and the judges often also lack enough expertise and experience in dealing with financial evidence arising from such investigations and needed to build robust cases.

One crucial aspect of financial investigations is the capacity to ensure reliable and constant connections between public officials and private/financial sector, as the main providers of financial information needed to feed (and even start) investigations according to international AML/CFT frameworks and norms. This relationship is often mediated through the so-called Financial Intelligence Units (FIUs), mandated to be ‘gateways’ between government investigation bodies and the financial sector. Because of their mandate FIUs are crucial to tackle both IFFs related to TOC and as well as the financing of terrorism.

Yet, even if the material, technical and human capacities of many FIUs in Africa have improved more recently, there is still significant capacity gap to be filled in order to enhance their operational effectiveness and impact domestically, as well as FIUs’ capacities cooperate and exchange information regionally and internationally. More strategic and systematic approaches to identifying, freezing and confiscating criminal assets located abroad (or not reachable) are also still to be developed - calling thus for even greater regional and international cooperation.

While regional organizations have increasingly included the fight against IFFs, and in particular AML and CFT, among their priorities, many of them still lack the technical capacity to develop and effectively run initiatives in these areas and/or build inter- and intra-regional coordination and exchange of intelligence and information mechanisms.

Given the above, there is a clear need (and demand) to continue supporting African partners to enhance their technical and operational capacities to curb IFFs linked to TOC and the financing of terrorism. As detailed in previous sections, the present Action should notably continue and enhance the work done at both the national but also inter and intra-regional levels.

²⁵ “Gold worth billions smuggled out of Africa”, Reuters, November 2019: <https://www.reuters.com/investigates/special-report/gold-africa-smuggling/>

²⁶ See in particular ENACT Organized Crime Index: <https://ocindex.enactafrica.org/>

²⁷ Interpol, ENACT Analytical Reports, op. cit.

²⁸ Estimates point that charcoal smuggling from Kenya through Somalia generates nearly US\$ 1.3 million monthly as revenue for the terrorist group Al-Shabaab. See Global Financial Integrity, “Illicit Financial Flows in Kenya”, March 2021, available at: <https://gfintegrity.org/advocacy/countries/kenya/>

²⁹ For instance, several countries in Central Africa have strong associations with conflict diamonds and illicit gold mining, linked to terrorism and organised crimes, operating across the continent and with links with the Middle East and Asia (see Interpol, ENACT Analytical Reports, op. cit.). Similarly, new drug routes for opioids, cocaine and methamphetamine currently go through West and Central African states into East Africa (and vice-versa) with connections to Europe, Asia and the Americas. See Organised Crime and Corruption Reporting Project, “UN: Crime and Drugs in West and Central Africa ‘alarming’”, December 2018, <https://www.occrp.org/en/daily/9056-un-crime-and-drugs-in-west-and-central-africa-alarming>

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:

The main stakeholders of the Action are national and regional institutions (duty-bearers), as well as public and private organisations involved in the areas of intelligence, investigation, prosecution, conviction and asset recovery related to TOC and the FT. Civil society, non-for profit organizations and the media are also crucial stakeholders of the Action at both the national and regional level and should be involved in design and delivery of certain activities. They should notably contribute with research and different sorts of sensitization/awareness raising activities on AML/CFT.

As the national level, these institutions include *inter alia*: Regulatory and non-regulatory relevant bodies; Financial Intelligence/Investigation Units (FIUs); Law Enforcement and Border Control agencies including law enforcement, customs, immigration services, intelligence services, revenue services and anti-corruption agencies, asset recovery institutions; the main institutions of the criminal justice chain, including judges and prosecutors; Financial institutions, the banking sector, the non-banking financial sector and Designated Non-Financial Businesses and Professions (DNFBP).

At the regional level, several bodies and institutions will be targeted by the Action. Among the most important stakeholders are the three FATF-Style Regional Bodies (FSRBs) present in the regions targeted by the Action namely: the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG), the Middle East and North Africa Financial Action Task Force (MENAFATF) and the Task Force on Money Laundering in Central Africa (GABAC). These bodies have adopted capacity building initiatives to encourage national Financial Intelligence Units (FIUs) in the region to enhance coordination, cooperation, information sharing, and joining the Egmont Group, a global organization that gathers more than 150 FIUs to promote cooperation and the full implementation of international and national policies on AML/CFT.

In addition, and in order to continue the work initiated to enhance intra- and inter-regional cooperation, develop international exchange mechanisms and improve mutual legal assistance and operational investigative tools, the Action will engage (and work with) the main regional institutions in these fields, including the IGAD, the EAC, Economic Community of Central African States (ECCAS), AGA-Africa; ARIN-EA, the Eastern Africa Association of Anti-Corruption Authorities (EAAACA)³⁰, the Eastern Africa Police Chiefs Cooperation Organization (EAPCCO)³¹ and the Central African Police Chiefs' Committee (CAPCCO / CCPAC)³².

Finally, the following EU specialized bodies and international organisations should be key partners in helping delivering activities and obtaining the envisaged results: the European Union's Law Enforcement Agency (Europol), European Union Agency for Criminal Justice Co-operation (Eurojust), Interpol, Ecofel, the training facility of Egmont Group of Financial Intelligence Units, as well as the World Customs Organization (WCO).

The final beneficiaries of the action are the rights-holders (citizens) who will see improvements in the overall levels of security linked to transnational organised crime and terrorist groups in their countries.

3. DESCRIPTION OF THE ACTION

3.1. Objectives and Expected Outputs

The **Overall Objective** (Impact) of this action is to contribute to reduce the incidence of transnational organized crime and terrorism in Eastern, Central, Southern Africa, as well as in Yemen.

The **Specifics Objectives** (Outcomes) of this action are:

1. Effective, cooperative, gender-sensitive response against illicit financial flows (IFFs) linked to transnational organised crime and the financing of terrorism in national public and private entities is improved (**SOI**)

³⁰ EAAACA is composed by the Anti Corruption Agencies of Kenya, Tanzania, and Uganda to promote and facilitate regional co-operation, mutual legal and technical assistance in the prevention and combating of corruption in the region, to share information, hold trainings and carry out joint research. See <https://eaaaca.com/about-eaaaca>

³¹ EAPCCO is a regional police body whose membership consists of Chiefs of Police of the 14 countries (Burundi, Comoros, DRC, Djibouti, Eritrea, Ethiopia, Kenya, Rwanda, Seychelles, Somalia, South Sudan, Sudan, Tanzania, Uganda). See <https://eapcco.org>

³² CAPCCO/CCPAC is one of CEMAC's specialised bodies, hosted by the INTERPOL Regional Bureau in Yaoundé, Cameroon, and composed of 8 countries (Cameroon, CAR, Chad, Congo, DRC, Equatorial Guinea, Gabon, São Tomé and Príncipe).

2. Effective and gender-sensitive regional, inter-regional and international cooperation in the fight against IFFs and money laundering linked to transnational organised crime and the financing of terrorism is improved (*SO2*)

The **Outputs** to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

- 1.1 Improved skills of relevant stakeholders to apply AML/CFT frameworks and tools
- 1.2 Increased capacities in selected countries/national training institutions to train on AML/CFT frameworks and tools with the support of the intervention
- 2.1 Improved understanding of stakeholders about cooperation within the criminal justice chain at the national and regional level
- 2.2 Improved capacities of regional stakeholders to elaborate/deliver common analysis of trends, shared alerts, exchange of good practice and coordinated action
- 2.3 Enhanced support measures for selected countries to facilitate membership in thematic regional and international bodies such as EGMONT and ECOFEL, among others

3.2. Indicative Activities

Activities related to Output 1.1:

- 1.1.1. Development and delivery of tailored training activities for regulatory bodies and FIUs
- 1.1.2. Development and delivery of tailored training activities for law enforcement agencies
- 1.1.3. Development and delivery of tailored training activities for the judiciary
- 1.1.4. Development and delivery of tailored training activities for other relevant agencies and non-institutional stakeholders (private sector, CSOs, etc.)

Activities related to Output 1.2:

- 1.2.1. Develop for each country a training curricula on financial investigations targeting TOC and FT
- 1.2.2. Establish the developed curricula in the relevant national academies (DCI/Immigration/NIS/ODPP)
- 1.2.3. Develop the existing network of national and regional AML-CFT trainers (bridging AML-THB Gold certified trainers and new ToTs schemes)

Activities related to Output 2.1:

- 2.1.1. Set up workshops/exchange fora for stakeholders of the three pillars of the criminal justice chain (financial sector, LEAs, justice)
- 2.1.2. Organize joint multi-agency training programmes (in cooperation with national academies and/or with relevant regional/international bodies)
- 2.1.3. Develop tailored capacity building schemes to strengthen cooperation procedures (in selected countries)

Activities related to Output 2.2:

- 2.2.1. Organize regional and inter-regional high-level meetings (e.g. Heads of FIUs) in cooperation with relevant organizations
- 2.2.2. Develop and propose regional and inter-regional technical meetings and capacity building activities with regional/international organisations (e.g. ECOFEL, EAAACA, ARIN-EA, etc.) and FSRBs

Activities related to Output 2.3:

- 2.3.1 Set up workshops with regional/ international organisations/initiatives (e.g. ECOFEL) and FSRBs
- 2.3.1. Undertake strategic needs assessment and establish work programmes to support membership/association processes in relevant regional/international bodies (in selected countries)
- 2.3.2. Provide tailored support activities for high priority countries and agencies

The commitment of the EU's contribution to the Team Europe Initiatives mentioned in the outset of this Action will be complemented by other contributions from Team Europe partners. It is subject to the formal confirmation of each respective partners' meaningful contribution as early as possible. In the event that the TEIs and/or these contributions do not materialise the EU action may continue outside a TEI framework.

3.3. Mainstreaming

Mainstreaming in AAP is very general and provided possibly before the mandatory analysis at action level are realised. This sections is based on the mainstreaming annex. We suggest to keep it.

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project)

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment).

Outcome of the CRA (Climate Risk Assessment) screening (relevant for projects and/or specific interventions within a project)

The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment)

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that the Action will contribute to improve the protection of women and girls as victims of different forms of transnational organised crime and terrorism in the targeted countries/regions. It will also promote an increased participation and leadership of women in all activities proposed, and include as much as possible gender assessments conducted by organisations working in the field of the fight against transnational crime and the financing of terrorism to inform the working methodologies. Moreover, sex disaggregated data will be integrated into the logical framework whenever appropriate.

Human Rights

The Action is based on the full respect of the human rights of final beneficiaries, in particular the rights and the protection of victims of organised crime and terrorism. A Human rights-based approach will be applied by the respect of the working principles (participation, non-discrimination, accountability, and transparency). A “Do-No-Harm” approach will be applied that relies on the understanding/analysis of the impact of aid on existing conflicts and its interactions within a particular context, with the goal to limit or prevent unintended negative effects on the social fabric, the economy and the environment. Appropriate vetting of all trainers and participating institutions is necessary to assure that human rights standards are maintained. All assistance and training aspects should include precautionary measures to ensure that international human rights standards and norms are met. Given the objectivities of the Action, elements concerning the respect of human rights and human rights-based approach and due process will obviously be integral parts of the training and awareness-raising activities.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D00. This implies that while working on disability-related issues is not a main objective in this action, the specific needs of disabled beneficiaries (including for access to the facilities supported by this project) will be duly assessed and addressed.

Democracy

Transnational Organised Crime and terrorism are potent negative forces that contribute to the degradation of democracy and the Rule of Law. Activities proposed in the framework of this Action will contribute to combat both TOC and terrorism by targeting the illicit financial resources they generate. It should thus also substantially contribute to the combat of corruption, which is another major factor leading to failings in democratic processes. The Action should ultimately strive to support the restoration of democratic institutions and rights in all countries/regions targeted. Moreover, in providing technical assistance and capacity building, the issue of corruption should be carefully considered, in particular with regards to the control and audit of programmatic funds. The implementers of the Action must observe regulatory measures to mitigate funds transfers to politically exposed persons or other individuals or entities that may abuse programmatic arrangements.

Conflict sensitivity, peace and resilience

The financing of terrorism and transnational organised crime are directly related to the peace and security situation in targeted countries/regions. This Action has been designed with a conflict sensitivity lens and the activities it proposes will also adopt a conflict-sensitive approach. It will strive to increase the stability within countries and regions by disrupting the IFFs linked/generated by criminal and terrorist groups operating in these areas.

Disaster Risk Reduction

N/A

Other considerations if relevant

N/A

3.4. Risks and Lessons Learnt

| Category | Risks | Likelihood (High/Medium/Low) | Impact (High/Medium/Low) | Mitigating measures |
|-------------------------|--|------------------------------|--------------------------|---|
| External environment | Risk 1 Unstable political and security contexts, the presence of violent extremist/terrorist groups and other structural aspects (e.g. porous borders, corruption, weak governance, etc.) | Medium | High | Ensure timely monitoring of the security & political contexts in beneficiary countries in close contact with EU Delegations; Develop a safety & security plan for the implementation of the Action. If contextual factors such as violent conflict and/or terrorist attacks take place, activities may be suspended/relocated until the situation improves. Even if activities are suspended in one country, the implementation of the Action can continue with a focus in the other countries. |
| People and organisation | Risk 2 Political disengagement and/or competing priorities among national and regional institutions | Low | Medium | The implementing partner will seek to engage with heads of key agencies in beneficiary countries and enlist their support/commitment to the objectives of the Action and proposed work programme; over the duration of the Action, it is anticipated that the results / benefits will further enhance & strengthen such support and commitment. |
| People and organisation | Risk 3 Poor and/or inexistent staff and material resources; lack of budget to set up & equip specialised bodies. | Medium | Low | Run in-country needs assessments and whenever possible a gender analysis at the start of the implementation to determine the existing personnel, equipment and needs; Provide transitional expertise and specific support to countries where needs/gaps are too significant; Develop flexible training/capacity-building techniques/methodologies in order to adapt to the capacity of the officials, women and men, who need to be trained. |

Lessons Learnt:

The proposed Action aims to build upon the achievements and the lessons learned from the ongoing AML/THB project. This initiative has been pivotal to raise awareness among partner countries on the benefits of adopting a regional approach to AML/CFT, as well as on the importance of enhancing information sharing and cooperation on financial investigation related to serious transnational organised crime. The project has substantially contributed to enhance relations between regional and international stakeholders and the beneficiary countries.

All countries involved in the AML/THB project have positively embraced the programme objectives and showed consistent engagement to the activities proposed by the project. National institutions have consistently sent qualified staff to trainings, and have been actively cooperating/facilitating the organization of capacity-building activities. It is expected that this good working relationship will continue (and be expanded) through the proposed Action. Existing activities, such as the quarterly regional meeting of the heads of FIU should be moreover used to promote some of the objectives of the Action.

There has been moreover an increasing demand by beneficiary (and non-beneficiary) countries for a continuation of the project's activities given the existing needs and growing challenges posed by IFFs linked to TOC and the financing of terrorism. This demand has also been voiced by a number of regional institutions and bodies with which the AML/THB project has already established working relationships, such as ESAAMLG or ARIN-EA. Organizing joint trainings and events with such regional organizations have proved particularly beneficial to enhance the "convening

capacity” and thus the reach of the project. It also helped reinforcing the project’s ambition to improve regional exchanges and cooperation, as well as the very role of regional bodies with such mandate. This is certainly one of the important achievements that will be continued with the present Action, together with the setting up of Memoranda of Understanding (MoU) with pertinent regional and national bodies (see section 2.2).

Another important lesson the AML/THB project brought up was the importance of guaranteeing the consistent engagement of private partners (e.g. financial institutions), including the informal financial sector (e.g. Hawallas and Forex Bureaux) in capacity-building activities together with public/governmental bodies. Public/private relations are not always well developed in the concerned region although they are crucial to strengthen financial investigations and prosecutions.

3.5. The Intervention Logic

The underlying intervention logic for this action is that:

IF

- Skills of relevant stakeholders to apply AML/CFT frameworks and tools are improved (Op. 1.1) ,
- Capacities in selected countries/national training institutions to train on AML/CFT frameworks and tools with the support of the intervention are increased (OP 1.2),
- Understanding of stakeholders about cooperation within the criminal justice chain at the national and regional level is improved (OP 2.1)
- Capacities of regional stakeholders to elaborate/deliver common analysis of trends, shared alerts, exchange of good practice and coordinated action are improved (OP 2.2), and
- Support measures for selected countries to facilitate membership in thematic regional and international bodies such as EGMONT and ECOFEL, among others, are enhanced (OP 2.3)

PROVIDED THAT

- Trainings provided are used for AML/CFT and to conduct financial investigations
- Certified experts are maintained as training experts of national agencies
- Structured and effective criminal justice chains exist in all targeted countries
- Stakeholders are willing to improve multiagency cooperation
- Interests are aligned across countries
- Diplomatic relations among countries within the region are good enough to collaborate
- Countries are willing to become members of FSRBs or thematic regional

THEN

- Effective, cooperative, gender-sensitive response against illicit financial flows (IFFs) linked to transnational organised crime and the financing of terrorism in national public and private entities is improved (SO1) and
- Effective and gender-sensitive regional, inter-regional and international cooperation in the fight against IFFs and money laundering linked to transnational organised crime and the financing of terrorism is improved (SO2)

THEREBY contributing to reduce the incidence of transnational organized crime and terrorism in Eastern, Central, Southern Africa, as well as Yemen (Impact)

3.6. Logical Framework Matrix

| PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities) Results | Results chain (@): Main expected results (maximum 10) | Indicators (@): (at least one indicator per expected result) | Baselines (values and years) | Targets (values and years) | Sources of data | Assumptions |
|---|---|---|---|--|--|-----------------------|
| Impact | Contribute to reduce the incidence of transnational organized crime and terrorism in Eastern, Central, Southern Africa, as well as in Yemen | <p>I1: % Criminality rates in Eastern, Central & some Southern African states and Yemen (by type of crimes and by country)</p> <p>I2: Levels of intervention's impact on countering TOC and terrorist groups as per expert opinion and with a gender perspective which includes how and how many women, girls, men and boys benefit from the intervention</p> | I1: To be defined in baseline report | <p>I1: To be defined in baseline report</p> <p>Data provided by partner organisations; integrated into MoU; develop data template to raise this data</p> <p>I2: Broad consensus in expert opinion that the project had impact</p> <p>Experts can cite specific examples of intervention's impact;</p> <p>Expert can cite how the intervention has a differential impact on the situation of women, men, boys and girls affected by TOC and provides estimates on number of persons benefitted.</p> | <p>I1: ENACT Organized Crime Index (criminality indicator);</p> <p>National crime statistics</p> <p>Crime specific reports (issued by INTERPOL, UNODC, IOM, UN SDG indicator database)</p> <p>I2: Qualitative indicator to be informed by <i>ad hoc</i> survey and/or dedicated study/report (i.e. a study with contributions from peers or a study followed by a survey to peers)</p> | <i>Not applicable</i> |

| | | | | | | |
|---|---|---|--|---|--|--|
| <p>Outcome 1</p> | <p>SO1: Effective, cooperative, gender-sensitive response against illicit financial flows (IFFs) linked to transnational organised crime and the financing of terrorism in national public and private entities is improved</p> | <p>SOI1.1: Number of parallel financial investigations -AML/CFT initiated in TOC / terrorist cases (disaggregated by country)</p> <p>SOI 1.2: Number of criminal networks whose members and IFFs are profiled or uncovered (by type of network, countries affected)</p> | <p>SOI 1.1: To be defined in baseline report</p> <p>SOI 1.2: To be defined in baseline report</p> | <p>SOI 1.1: Improvements can be shown in five countries</p> <p>SOI 1.2: To be determined in baseline report</p> | <p>SOI 1.1: Annual judiciary release EACC reports</p> <p>SOI 1.2: Indicator to be informed by <i>ad hoc</i> survey and/or annual judiciary releases, EACC reports</p> | <p>Partner countries/national institutions are committed to effectively fight IFFs linked to TOC and terrorism</p> |
| <p>Outcome 2</p> | <p>SO2: Effective and gender-sensitive regional, inter-regional and international cooperation in the fight against IFFs and money laundering linked to transnational organised crime and the financing of terrorism is improved</p> | <p>SOI 2.1: Number of joint operations conducted against IFFs linked to TOC and terrorism with the participation of the private sector and CSOs (by types of private sector and CS involved)</p> <p>SOI 2.2: Number of letters of request addressed to other country in the region (disaggregated by emitting country)</p> <p>SOI 2.3: Levels of regional cooperation in the fight against IFFs and money laundering linked to TOC as perceived by regional and national counterparts (disaggregated by type of entities)</p> | <p>SOI 2.1: To be defined in baseline report</p> <p>SOI 2.2: To be defined in baseline report</p> <p>SOI 2.3: To be defined in baseline report</p> | <p>SOI 2.1: Improvements can be shown in five countries</p> <p>SOI 2.2: Improvements can be shown in five countries</p> <p>SOI 2.3: Improvements can be shown in five countries</p> | <p>SOI 2.1: Qualitative indicator to be informed by <i>ad hoc</i> survey; Intervention's M&E reports or other official sources</p> <p>SOI 2.2: Annual judiciary release</p> <p>SOI 2.3: Qualitative indicator to be informed by <i>ad hoc</i> survey</p> | <p>Countries build ownership of co-operation mechanisms within country and regionally</p> |
| <p>Output 1 related to Outcome 1</p> | | <p>OPI1.1.1: Number of persons with increased skills on how to use AML/CFT mechanisms and tools with</p> | <p>OPI1.1.1 - To be defined in baseline report</p> | <p>OPI1.1: Improvements can be shown in five countries</p> | | |

| | | | | | | |
|---|---|---|---|--|---|---|
| | <p>OPI.1: Improved skills of relevant stakeholders to apply AML/CFT frameworks and tools</p> | <p>the support of the intervention (by country, sex and type of organization)</p> <p>OPI1.1.2: number of training sessions organized by the intervention at national level (disaggregated by theme per country and by number of participants disaggregated by sex)</p> <p>OPI1.1.3: Number of agencies trained through training sessions organized by the intervention at national level (Disaggregated by country and type of agency)</p> | <p>OPI1.1.2: 0</p> <p>OPI1.1.3: 0</p> | <p>OPI1.2-3: 26 (on average 1 agency per country)</p> | <p>OPI1.1.1-2-3: Progress reports</p> | <p>Trainings provided are used for AML/CFT and to conduct financial investigations</p> |
| <p>Output 2 related to Outcome 1</p> | <p>OPI.2: Increased capacities in selected countries/national training institutions to train on AML/CFT frameworks and tools with the support of the intervention</p> | <p>OPI1.2.1: Number of certified partner training institutions/academia with established curricula on AML/CFT (% of curricula which include gender aspects)</p> <p>OPI 1.2.2: Number of certified experts trained on AML/CFT (disaggregated by sex, country and institution)</p> | <p>OPI2.1.2.1: 3</p> <p>OPI1.2.2: 29</p> | <p>OPI1.2.1: 6</p> <p>OPI1.2.2: 58</p> | <p>OPI1.2.1: Letters of agreement/MoU signed with training institution</p> <p>OPI1.2.2: Certificates delivered by programme</p> | <p>Certified experts are maintained as training experts of national agencies</p> <p>Trainings provided are used for AML/CFT and to conduct financial investigations</p> |
| <p>Output 1 related to Outcome 2</p> | <p>OP2.1: Improved understanding of stakeholders about cooperation within the criminal justice chain at the national and regional level</p> | <p>OPI 2.1.1: Number of regular coordination meetings between the criminal justice chains with the support of the intervention (by countries involved and regularity/frequency expected)</p> <p>OPI 2.1.2: Number of joint multi-agency training networks established with the support of the intervention (by theme, country and agencies involved)</p> <p>OPI 2.1.3: Number of persons within the criminal justice chain with increased</p> | <p>OPI 2.1.1: 0</p> <p>OPI 2.1.2: 0</p> <p>OPI 2.1.3: 0</p> | <p>OPI 2.1.1: 10</p> <p>OPI 2.1.2: To be determined in baseline report</p> | <p>OPI 2.1.1-2-3: Activity reports and M&E system</p> <p>OPI 2.1.3: pre and post training tests or skills assessments</p> | <p>Structured and effective criminal justice chains exist in all targeted countries</p> <p>Stakeholders are willing to improve</p> |

| | | | | | | |
|--------------------------------------|--|--|--|---|---|--|
| | | understanding on regional cooperation with the support of the intervention (by country, topics, sex) | | OPI 2.1.3: To be determined in baseline report | | multiagency cooperation |
| Output 2 related to Outcome 2 | OP2.2: Improved capacities of regional stakeholders to elaborate/deliver common analysis of trends, shared alerts, exchange of good practice and coordinated action | <p>OPI 2.2.1: Number of regional and inter-regional high-level meetings organized with the support of the intervention</p> <p>OPI 2.2.2: Number of countries participating in high-level meetings organized with the support of the intervention</p> <p>OPI 2.2.3: Number of joint analysis, tools and good practices presented or discussed in joint technical meetings (by topic of the exchanges, and gender-sensitive/not gender-sensitive nature)</p> <p>OPI 2.2.4: Number of MoU signed by the intervention with regional institutions to contribute to and to sustain the intervention's exchange fora and networks</p> | <p>OPI 2.2.1: 1 per year</p> <p>OPI 2.2.2: 9</p> <p>OPI 2.2.3: 0</p> <p>OPI 2.2.4: 0</p> | <p>OPI 2.2.1: 1 per year</p> <p>OPI 2.2.2: 17 (2/3 of the countries)</p> <p>OPI 2.2.3: 4 (2 per year)</p> <p>OPI 2.2.4: 3</p> | OPI 2.2.1-2-3-4: Activity report & publications, Intervention's M&E system based minutes of meetings and documents shared | <p>Interests are aligned across countries</p> <p>Diplomatic relations among countries within the region are good enough to collaborate</p> |
| Output 3 related to Outcome 2 | OP2.3: Enhanced support measures for selected countries to facilitate membership in thematic regional and international bodies such as EGMONT and ECOFEL, among others | <p>OPI 2.3.1 Number of country needs assessments/ evaluations conducted as per required standards with the support of the intervention (by country(% which includes gender aspects)</p> <p>OPI 2.3.2: Number of countries with a clear roadmap to join FSRBs/EGMONT with the support of the intervention</p> | <p>OPI 2.3.1: 0</p> <p>OPI 2.3.2: 0</p> | <p>OPI 2.3.1: 3</p> <p>OPI2.3.2: 3</p> | <p>OPI 2.3.1: Activity report</p> <p>OPI2.3.2: Intervention's M&E system based on official documentation</p> | <p>Countries are willing to become members of FSRBs or thematic regional</p> |

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with partner countries.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 24 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3. Implementation of the Budget Support Component

N/A

4.4. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures³³.

4.4.1. Indirect Management with a Member State Organisation

This action may be implemented in indirect management with Civipol. This implementation entails the implementation of all the objectives and results described in Section 3. The envisaged entity has been selected using the following criteria: (1) sound and long-standing experience in the domain of security, with particular focus on the fight against illicit financial flows, including money laundering and terrorism financing (2) highly specialized pool of experts and technical capacity related to all activities that are planned to be implemented (3) extensive working relationship and experience with all national, regional and international stakeholders targeted by the Action.

In case the envisaged entity [and the replacement entity mentioned above] would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

4.5. Indicative Budget

| Indicative Budget components | EU contribution (amount in EUR) |
|--|--|
| Implementation modalities – cf. section 4.4 Indirect Management with Civipol | 5 000 000 |
| Evaluation – cf. section 5.2 Audit – cf. section 5.3 | will be covered by another Decision |

³³ www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

| | |
|---------------|-----------|
| | |
| Totals | 5 000 000 |

4.6. Organisational Set-up and Responsibilities

Steering Committees will be organised to allow for the strategic and political steering of the Action. The Steering Committee shall meet once a year and review progress of the implementation of the project, provide recommendations to the management of the Action, and validate key strategic and programmatic orientations for the future. The Steering Committee will also receive, revise and validate external monitoring reports and evaluations, when applicable.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators disaggregated minimum by sex, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

Baseline assessments, monitoring data and evaluation will be undertaken systematically during the project and at each level of intervention and will inform the approval of further activities by the Steering Committee. All activities will be closely monitored and evaluated to assess outputs, outcomes and possible up-scaling to other countries.

Monitoring and evaluation will assess gender equality results and implementation of rights-based approach working method principles (participation, non-discrimination, accountability and transparency) in terms of implementation of the project and project outcomes. Monitoring and evaluation will moreover be based on indicators that are disaggregated by a minimum sex and age when applicable. Key stakeholders will be involved in the monitoring process.

5.2. Evaluation

Having regard to the nature of the action, a final evaluation will be carried out for this action or its components via independent consultants contracted by the Commission or via an implementing partner.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that this Action is a follow up phase of other regional projects and may lead to the elaboration of a future one.

The Commission shall inform the implementing partner at least 1 month in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities].

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination³⁴. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on

³⁴ See best [practice of evaluation dissemination](#)

the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

The financing of the evaluation shall be covered by another measure constituting a Financing Decision.

5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

APPENDIX 1 REPORTING IN OPSYS

An Intervention³⁵ (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: 'a given contract can only contribute to one primary intervention and not more than one'. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a 'support entities'. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention is defined in the related Action Document and it is revisable; it can be a(n) (group of) action(s) or a (group of) contract(s).

Tick in the left side column one of the three possible options for the level of definition of the Primary Intervention(s) identified in this action.

In the case of 'Group of actions' level, add references to the present action and other action concerning the same Primary Intervention.

³⁵ [ARES \(2021\)4204912](#) - For the purpose of consistency between terms in OPSYS, DG INTPA, DG NEAR and FPI have harmonised 5 key terms, including 'action' and 'Intervention' where an 'action' is the content (or part of the content) of a Commission Financing Decision and 'Intervention' is a coherent set of activities and results which constitutes an effective level for the operational follow-up by the EC of its operations on the ground. See more on the [concept of intervention](#).

In the case of ‘Contract level’, add the reference to the corresponding budgetary items in point 4.6, Indicative Budget.

| | | |
|---|----------------------|--|
| Option 1: Action level | | |
| <input checked="" type="checkbox"/> | Single action | Present action: all contracts in the present action |
| Option 2: Group of actions level | | |
| <input type="checkbox"/> | Group of actions | Actions reference (CRIS#/OPSYS#): <Present action> <Other action> |
| Option 3: Contract level | | |
| <input type="checkbox"/> | Single Contract 1 | <foreseen individual legal commitment (or contract)> |
| <input type="checkbox"/> | Single Contract 2 | <foreseen individual legal commitment (or contract)> |
| <input type="checkbox"/> | Single Contract 3 | <foreseen individual legal commitment (or contract)> |
| | (...) | |
| <input type="checkbox"/> | Group of contracts 1 | <foreseen individual legal commitment (or contract) 1> <foreseen individual legal commitment (or contract) 2> <foreseen individual legal commitment (or contract) #> |