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**Executive summary**

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## II. Executive summary

### United Republic of Tanzania

#### 1. Introduction: overview of the legal and institutional framework of the United Republic of Tanzania in the context of implementation of the United Nations Convention against Corruption

The United Republic of Tanzania signed the Convention on 9 December 2003 and ratified it on 25 May 2005. To enhance implementation of the Convention, the United Republic of Tanzania enacted the Prevention and Combating of Corruption Act (PCCA) on 16 April 2007.

The implementation by the United Republic of Tanzania of chapters III and IV of the Convention was reviewed in the third year of the first review cycle, and the executive summary of that review was published on 18 February 2014 (CAC/COSP/IRG/I/3/1/Add.9).

The legal system of the United Republic of Tanzania is based on the English common law.

The implementing legislation for chapters II and V of the Convention includes, notably, the following: PCCA, Penal Code (PC), Criminal Procedure Act (CPA), Public Service Act (PSA), Public Leadership Code of Ethics Act (PLCEA), Public Procurement Act 2011 (PPA), Whistleblowers and Witness Protection Act (WWPA), Anti-Money Laundering Act (AMLA), Proceeds of Crime Act (POCA) and Mutual Assistance in Criminal Matters Act (MACMA). However, key legislation and measures to give effect to the requirements of the Convention are applicable only in mainland Tanzania. No information on the implementation of the corresponding provisions in Zanzibar was available.

Relevant institutions mandated with the prevention of and fight against corruption include the following: Prevention and Combating of Corruption Bureau (PCCB), National Prosecution Service (NPS), Office of the Attorney-General (OAG), Good Governance and Reform Department (GGR), President's Office-Public Service Management and Good Governance Unit (PO-PSMGG), Ethics Secretariat (ES), National Audit Office of Tanzania (NAOT), Public Procurement Regulatory Authority (PPRA), the judiciary and Financial Intelligence Unit (FIU).

#### 2. Chapter II: preventive measures

##### 2.1. Observations on the implementation of the articles under review

*Preventive anti-corruption policies and practices; preventive anti-corruption body or bodies (arts. 5 and 6)*

The United Republic of Tanzania has developed a National Anti-Corruption Strategy and Action Plan and is currently implementing its third phase (NACSAP III). The third phase focuses on building systems of integrity, accountability and transparency in public and private institutions. Views from all sectors of society, including private, religious and media representatives, were collected and considered in the development of NACSAP III.

The implementation of NACSAP has enabled the enactment of AMLA, PCCA, PLCEA and PPA and the subsequent creation of PPRA and FIU.

The Chief Secretary, as the Head of Public Service and Secretary to the Cabinet, is overall in charge of the implementation of NACSAP III. The Chief Secretary also coordinates, monitors and evaluates the implementation of the Strategy through the GGR in the President's Office, while the execution of the Strategy is monitored by various bodies such as PCCB and ES.

The United Republic of Tanzania follows a need-based approach to reviewing laws and administrative measures.

PCCB is mandated with preventing and combating corruption in the public and private sectors (sect. 7, PCCA). It oversees and coordinates the implementation of corruption prevention policies and is responsible for increasing and disseminating knowledge about corruption prevention.

PCCB independently determines its recruitment policy and manages its recruitment process but must obtain PO-PSMGG approval to recruit new staff. The Director-General (DG) of PCCB is appointed by the President (sect. 6 (2), PCCA). However, security of tenure is not established. The United Republic of Tanzania is considering introducing a five-year term for the DG and the establishment of a special committee to remove the DG and the Deputy DG in case of misconduct.

In addition, integrity committees in public bodies are charged to prevent corruption and maladministration in their respective offices.

The United Republic of Tanzania participates in various international and regional anti-corruption initiatives. In particular, PCCB cooperates with international partners in the prevention and fight against corruption.

*Public sector; codes of conduct for public officials; measures relating to the judiciary and prosecution services (arts. 7, 8 and 11)*

The recruitment, hiring, retention, promotion and retirement of civil servants is regulated principally by PSA, the Written Laws (Misc. Amendment) Act 2013, Standing Orders for the Public Service and the Public Service Recruitment Secretariat (PSRS) Regulations (GN No. 25/2016).

PO-PSMGG is the government ministry responsible for personnel matters, administration of the public service and development of policies on human resources management, ethics, payroll, etc. It monitors ethics compliance, determines training needs and provides training to public entities on ethics and anti-corruption, including ethics complaint-handling mechanisms. Similarly, ES promotes and monitors the conduct and behaviour of public leaders as defined in PLCEA.

All public service positions are advertised on and applications are submitted through the recruitment portal maintained by PSRS.

The United Republic of Tanzania has established a general rotation system for public servants, which prescribes a minimum duration of three years and a maximum duration of five years for public servants to remain in one duty station, pursuant to Public Service Circular No. 1 of 1978. These measures apply to all public servants.

Qualification criteria for candidates in presidential, parliamentary and local elections are provided in the Constitution (arts. 21 and 39), National Election Act (sect. 36, Chapter 343), Local Authorities (Elections) Act (sect. 12 and sect. 3, Chapter 292) and PLCEA. These provisions also provide for disqualification criteria which include prior conviction for offences involving dishonesty and tax evasion.

The legislative framework to regulate electoral and political party funding consists mainly of the Election Expenses Act 2010 (EEA) and the Political Parties Act 1992 (PolPA). Political parties shall submit to the Office of the Registrar of Political Parties an annual statement of accounts audited by CAG (sect. 14, PolPA). Candidates, political parties and organizations which participated in election activities shall keep all records related to election expenses (sect. 19, EEA).

There are no limits on political donations, but their source must be disclosed if the donation exceeds 1 million Tanzanian shillings (approximately \$440). Sanctions for non-disclosure are provided under EEA and may include a prohibition to participate in elections.

There are several codes or standards of conduct for public officials. Among them are PLCEA, the Code of Ethics and Conduct for the Public Service (CECPS, applicable to persons who are not covered by PLCEA) and different professional codes of conduct. The codes are periodically reviewed.

Various disciplinary measures, including dismissal, are provided for breach of PLCEA (sect. 8). Breaches of CECPS carry similar sanctions (Schedule 1 (available sanctions) and Regulations 41–44 (conduct of proceedings) of PS Regulations 2003).

PLCEA lists the categories of public leaders who shall declare assets and provides penalties for non-compliance. Public leaders are not obliged to declare non-financial interests, such as outside activities and employment, positions in companies, other associations, gifts or benefits from which a potential conflict of interest may arise. ES selects a certain number of disclosures based on risk and other factors for physical verification annually.

Other public servants must disclose conflicts of interests pursuant to CECPS (sect. VIII, 4). Members of parliament and the Speaker of the National Assembly must further make ethics and conflict-of-interest declarations (arts. 69 and 84, Constitution).

CECPS prohibits public servants or their family members from accepting gifts, except for gifts of de minimis value. Public leaders must declare gifts in excess of 200,000 Tanzanian shillings (approximately \$88) (sect. 12(2) PLCEA and sect. 65 of the Written Laws (Miscellaneous Amendment) Act No. 2 of 2016 (WLA)).

The WWPA defines public interest disclosures and establishes protections for whistle-blowers in the public and private sectors. Sanctions for persons who engage in retaliatory acts and measures to protect the identity of informers are established in the PCCA (sects. 51 and 52).

When an integrity committee receives a report of corruption, it may recommend preventive or disciplinary measures. If the report tends to show that an offence has been or is being committed, the committee shall report it to PCCB.

Recruitment of judicial officers is done by open advertisement. An independent committee selects qualified applicants, and open interview is done by an independent committee.

The Code of Conduct for Judicial Officers, developed in compliance with the Bangalore Principles of Judicial Conduct, guides the conduct, integrity and ethics of judicial officers and prohibits judicial officers from engaging in economic activities, which are inconsistent with judicial office. Judicial officers shall not engage in politics or be members of any political party and must declare assets to ES.

The Judiciary Administration Act No. 4 provides for disciplinary mechanisms of judicial officers. The Judicial Service Commission is responsible for the overall conduct and ethics of judicial officers and runs annual training programmes that cover issues of integrity and ethics.

The PSA and PS Regulations apply to the staff of NPS and OAG.

#### *Public procurement and management of public finances (art. 9)*

To enhance procurement practices, Tanzania has adopted the PPA and Public Procurement Regulations 2013 (PPR 2013), together with the PPA (Amendment) Act 2016 and Public Procurement Regulations (Amendments) 2016 (PPR 2016).

Public procurement is decentralized and PPRA is mandated under PPA to monitor and report on the performance of the procurement systems in all procuring entities (PEs), to monitor the award and implementation of public contracts, and to institute procurement, contract and performance audits.

Sections 31, 39 and 40 of PPA require PEs to establish a tender board, procurement management unit, internal audit unit, user department and evaluation committee. The duties of these units and of the budget approving authority and Accounting Officer (AO) are defined under PPA. The overall oversight for each procuring function is vested in the budget approving authority.

PEs must submit all competitive tender notices to PPRA for publication in the Journal and Tenders Portal and advertise them in a local newspaper of wide circulation. Tender notices must be published in sufficient time (sect. 68(3), PPA, and the eighth schedule of PPR 2013, as amended by PPR 2016). Contract award information must also be forwarded to PPRA for publication in the Portal.

PEs shall consider the competitive tendering method first. Other tendering methods may be used in specific circumstances as provided in relevant PPRs and subject to the approval of tender boards.

Monitoring and audit staff shortages in PPRA and limited implementation of electronic procurement systems result in less than 20 per cent of PEs being audited every year. Similarly, there is limited capacity to detect and investigate procurement violations.

Suppliers and service providers must sign an anti-bribery policy to commit that they will not indulge in corrupt practices. Likewise, evaluation committee members and tender board members must sign codes of conduct and declare that they do not have a conflict of interest. Suppliers who have engaged in fraudulent practices may be debarred by PPRA.

Regulations 104 to 107 of PPR 2013 outline the procedure to challenge procurement decisions.

The Budget Act is the main legal framework to regulate the adoption of the state budget and risk management and internal control of public finances in public bodies.

The Ministry of Finance and Planning leads the development of a draft state budget which is presented to the National Assembly for debate and approval. The parliamentary process is public. Budget execution reports, budget books and consolidated audited financial statements are published on the Ministry's website. However, budget execution reports are not published systematically and do not cover every previous financial year.

AOs are responsible for the correct and efficient use of public resources in public institutions and establishing systems of internal audit, control and risk management to achieve it (sect. 2, Budget Act; sects. 33–35, Local Government Finance Act). External audit is conducted by NAO and potential cases of fraud or misuse are communicated to PCCB and other appropriate bodies.

The Records and Archives Management Act 2002 regulates the use and storage of all records of public bodies and criminalizes destruction of such records. In addition, falsification of public finance records may constitute forgery under PC and a violation of CECPS.

*Public reporting; participation of society (arts. 10 and 13)*

The Access to Information Act 2016 and the Access to Information Regulations, 2017 (Government Notice No. 507 of 2017) of the United Republic of Tanzania enable public access to information under the control of public bodies (sect. 2).

The Act establishes the procedure for access to information (sect. 10) and requires all public bodies to appoint one or more information officers to deal with requests for information (sect. 7), to publish certain information (sect. 9) and to maintain records (sect. 8). Aggrieved persons may apply for internal review and may thereafter appeal to the Minister responsible for legal affairs, whose decision is final (sect. 19).

The United Republic of Tanzania has undertaken several public service management reforms to enhance quality, efficiency and effectiveness of public service delivery. For example, an e-Government Agency coordinates, oversees and enforces e-government initiatives in public institutions.

PCCB conducts periodic corruption risk assessments and publishes these reports.

Representatives of civil society organizations (CSOs) are regularly invited to policy review exercises organized by government. CSOs also engage in activities to monitor the actions and decisions of government in potential risk areas.

PCCB conducts various awareness-raising activities. Together with the Ministry of Education, PCCB has introduced ethics classes in primary schools, with plans for extension to secondary schools.

Corruption can be reported to PCCB via emergency telephone number 113. PCCB regularly conducts awareness-raising campaigns to encourage reporting. Reporters can enjoy protections of WWPA and PCCA, provided their reports meet the requirements of the Acts.

*Private sector (art. 12)*

The United Republic of Tanzania has introduced measures to prevent corruption in the private sector. Law enforcement agencies regularly cooperate with the private sector on corruption prevention. In particular, PCCB conducts workshops with financial institutions, NGOs and the private sector to enhance awareness of corruption. The private sector also regularly reports corruption incidents to PCCB.

The Companies Act 2002 and the Capital Markets and Securities Act are the governing laws that regulate corporate governance and internal audit. Some regulators and supervisory authorities (Bank of Tanzania (BOT), Capital Markets and Securities Authority) have also issued industry-specific standards.

The Business Registration and Licensing Authority maintains a register of companies and sole proprietors which can be accessed for a fee. No information on measures to prevent the abuse of subsidies or licenses for commercial activities was provided.

A six-month cooling-off period for public leaders is provided under WLA (sect. 62). However, there is no enforcement mechanism to ensure compliance.

The United Republic of Tanzania has adopted International Financial Reporting Standards for private entities, which prescribe relevant rules to prevent false accounting. However, these Standards do not extend to small and medium-sized enterprises.

Under the Auditors and Accountants (Registration) Act 1972 of the United Republic of Tanzania, and its amendments, the National Board of Accountants and Auditors is responsible for establishing an investigative and disciplinary system for all professional accountants. The Act makes it a criminal offence to purposefully make any false or incorrect entry in the register or any false or misleading statement. Certain accounting or auditing violations may constitute crimes of misappropriation or fraud under PC.

Bribes and expenditure incurred in corrupt practices, except for bribes to foreign officials and expenditure incurred in corrupt practices abroad, are not tax deductible (sect. 11(4), Income Tax Act).

*Measures to prevent money-laundering (art. 14)*

The domestic regulatory and supervisory regime of the United Republic of Tanzania for money-laundering prevention includes requirements for customer and beneficial owner identification and verification, record-keeping, transaction monitoring and the reporting of suspicious transactions (STRs). Pursuant to AMLA 2006, as amended in 2012, the main categories of financial institutions and designated non-financial businesses and professions (DNFBPs) are included as “reporting persons”.

The United Republic of Tanzania conducted a national risk assessment (NRA) from September 2015 to December 2016 and is currently working on implementation of the NRA results. While the 2012 AML Regulations provide for a risk-based approach to KYC and CDD requirements, in other areas RBA has not yet been adopted and implemented.

The cooperation and exchange of domestic information on money-laundering is guided by AMLA, as amended. Section 8 establishes the National Multi-Disciplinary Committee to advise government on legislative, regulatory and policy reforms on anti-money-laundering. Internationally, the United Republic of Tanzania participates in relevant networks and initiatives, such as the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG), the Southern African Regional Police Chiefs Cooperation Organization and the International Criminal Police Organization. FIU is a member of the Egmont Group and has signed memorandums of understanding for information exchange with its counterparts.

AMLA establishes relevant measures to detect and monitor the movement of cash and appropriate negotiable instruments (BNIs) across the borders. Implementing Regulations set out the prescribed amount for declaration of currency and BNIs (\$10,000).

Money-value transfer providers (MVTPs) are under the supervision of BOT and the Tanzania Communications Regulatory Authority and are required to comply with anti-money-laundering obligations as reporting persons in the category of cash dealers. However, no guidelines have been issued for MVTPs, and some limited inspections of the sector have begun.

Section 4 of AMLA gives FIU power to receive electronic funds transfer reports. However, the draft implementing regulations have not been enacted.

Zanzibar has its own Anti-Money Laundering and Proceeds of Crime Act and Regulations. FIU oversees implementation of requirements relating to anti-money-laundering/countering the financing of terrorism with respect to Zanzibar as well. No information on the implementation of these provisions in practice was available.

## **2.2. Successes and good practices**

- The existence of Integrity Committees in central government institutions (art. 5)
- The PCCB's Department of Community Education (art. 6, para. 1)

## **2.3. Challenges in implementation**

It is recommended that the United Republic of Tanzania:

- Ensure the full implementation of the Convention's obligations under chapter II in respect of Zanzibar.
- Continue efforts to fully implement NACSAP III in light of lessons learned and international good practices, taking into account the technical assistance requested, and establish integrity committees at all levels of Government and ensure their effectiveness in corruption prevention (art. 5, para. 1).
- Consider a more structured approach to the periodic review and revision of laws and administrative measures aimed at preventing and countering corruption (art. 5, para. 3).
- Continue to devote adequate resources towards corruption prevention functions, in accordance with available resources (art. 6, para. 1).
- Continue to implement measures to strengthen the independence of PCCB and continue to invest in the development, training and capacity-building of skilled personnel to effectively carry out the functions of PCCB (art. 6, para. 2).
- Endeavour to establish a more systematic approach to providing ethics and anti-corruption training to relevant officials, including extending the existing training to a wider group of public entities and public servants (art. 7, para. 1).
- Consider publishing accounts of political parties as submitted to the Registrar of Political Parties and lowering substantially or eliminating the thresholds for anonymous donations as provided in section 11(1), EEA (art. 7, para. 3).

- Consider amending WWPA to protect whistle-blowers from potential civil or criminal liability and consider extending the protections of the Act to those who do not use the prescribed reporting channels (art. 8, para. 4).
- Endeavour to introduce comprehensive measures requiring public leaders and other public officials to declare their interests, gifts or benefits from which a conflict of interest may arise (including non-pecuniary interests) and effective systems of verification of such declarations. Apart from declarations, it would also be important to introduce measures to manage conflicts of interest where they arise (art. 8, para. 5).
- Take further measures to improve public procurement systems by, inter alia: (a) improving monitoring and auditing of procurement entities and their procurement decisions; (b) improving the capacity of authorities to effectively detect and investigate violations of procurement rules; (c) raising awareness of corruption risks among stakeholders such as suppliers and service providers; and (d) continuing to implement and strengthen the electronic procurement system (art. 9, para. 1).
- Ensure that appropriate risk management and internal control systems are established in every ministry, department and agency and monitor that the information on budget execution, including revenue and expenditure, is timely and periodically reported in a clear and accessible manner (art. 9, para. 2).
- Ensure that the Access to Information Act is operationalized and that public bodies, members of the public and other stakeholders are aware of its requirements and enforcement mechanisms (art. 10 (a)).
- In order to prevent corruption in the private sector, take appropriate measures to: (a) promote the development of standards of corporate governance and codes of ethics across all business sectors and relevant professions; (b) adopt measures to prevent the abuse of subsidies and licenses for commercial activities; and (c) develop comprehensive regulations on post-employment restrictions for public officials and establish effective mechanisms to enforce such regulations (art. 12, paras. 1 and 2).
- Ensure that the relevant laws and regulations effectively prohibit all acts listed under article 12, paragraph 3, of the Convention.
- Amend relevant laws to ensure that all forms of corrupt payment or benefit, including bribes to foreign public officials, are not deductible from income for tax purposes (art. 12, para. 4).
- Continue to implement the NRA results and the risk-based approach (RBA) to anti-money-laundering/countering the financing of terrorism. All supervisors across the financial and non-financial sector should continue to use the findings of NRA to promote and apply the risk-based supervisory framework, commensurate with the risks facing their regulated entities. Supervised entities should be required to apply RBA in all relevant areas, in accordance with the business risk profile. The anti-money-laundering obligations should be extended to all Financial Institutions and DNFBPs, including MVTPS. NRA results should be used to inform the development of a national strategy on anti-money-laundering/countering the financing of terrorism (art. 14, para. 1).
- Strengthen the application and effective enforcement of the preventive framework set out in articles 14 and 52 of the Convention in Zanzibar, and strengthen cooperation and coordination with the relevant institutions in Zanzibar, in particular regarding the reporting and transmission of STRs and application of the supervisory framework (art. 14, para. 1).
- Ensure effective enforcement of anti-money-laundering obligations of MVTPs through inspections and oversight. Furthermore, expedite enactment of implementing regulations on electronic funds transfers (art. 14, para. 3).

## 2.4. Technical assistance needs identified to improve implementation of the Convention

Legislative assistance (art. 8)

- Policymaking (art. 8, paras. 1–3 and 5 and 6; and art. 14)
- Capacity-building (art. 5, paras. 1 and 6; art. 7, paras. 1 and 4; art. 8, paras. 5 and 6; art. 9, para. 1; art. 10 (c); art. 13, para. 2; and art. 14)
- Research/data-gathering and analysis (arts. 7, 8 and 14)

For details, please refer to the annex to the full report.

## 3. Chapter V: asset recovery

### 3.1. Observations on the implementation of the articles under review

*General provision; special cooperation; bilateral and multilateral agreements and arrangements (arts. 51, 56 and 59)*

MACMA provides the legal framework for international cooperation on asset recovery. Assistance under the Act is limited to countries designated by order of the Minister, with which reciprocal arrangements for mutual legal assistance have been made. To date no countries have been so designated.

The United Republic of Tanzania has signed two treaties on mutual legal assistance in civil and criminal matters (not limited to asset recovery). Assistance can be provided in the absence of a treaty on the basis of reciprocity, and under the (Harare) Scheme Relating to Mutual Legal Assistance in Criminal Matters within the Commonwealth. The Convention may be directly applied, and the United Republic of Tanzania has had experience using the Convention as a legal basis for international cooperation.

The United Republic of Tanzania has never formally refused an asset recovery request. There have been no completed cases relating to the recovery of foreign assets located in the United Republic of Tanzania.

No information on the implementation of asset recovery provisions in Zanzibar in practice was available.

Law enforcement authorities, primarily FIU and police, spontaneously share information relating to the proceeds of crime with foreign counterparts.

*Prevention and detection of transfers of proceeds of crime; financial intelligence unit (arts. 52 and 58)*

The United Republic of Tanzania has established KYC and CDD requirements for reporting persons, which include customer acceptance policy, customer identification, ongoing monitoring of high-risk accounts and risk management. The Regulations require reporting persons to take reasonable measures to verify the identity of beneficial owners. Enhanced due diligence is required for higher-risk customers or transactions, and politically exposed persons (PEPs). However, the definition of PEPs (sect. 3, AMLA) does not include domestic PEPs, family members or close associates. FIU of the United Republic of Tanzania has developed Guidelines for the Verification of Customers Identities (2009).

AMLA establishes administrative sanctions for violations of KYC/CDD requirements, and criminal sanctions in appropriate cases. BOT, during onsite examinations, verifies that banks and financial institutions have appropriate KYC and CDD policies and procedures. Only a limited number of on-site inspections have been carried out and few administrative sanctions imposed.

Record-keeping requirements and the obligation to report STRs are established.

The licensing provisions under the Banking and Financial Institutions Act prevent the establishment of “shell banks”. Banks and financial institutions are prohibited from

entering into, or continuing, correspondent banking relationships with shell banks and to guard against establishing relations with respondent foreign banks or financial institutions that permit their accounts to be used by shell banks (2012 AML Regulation).

Various public officials shall declare income and assets. Under PLCEA, public leaders shall declare in writing their property, assets and liabilities, and those of their spouse or children, subject to certain exceptions. Members of the public can inspect the information upon lodging a good-faith complaint with the Ethics Commissioner and the payment of a fee. In addition, public officials may be required by PCCB to declare their assets and those held by their agents, pursuant to PCCA. Members of parliament shall also submit financial disclosure statements of property held by them and their spouses to the Speaker, which are transmitted to the Ethics Commissioner (art. 70, Constitution). There are also provisions regarding property declarations by the Speaker of the National Assembly (art. 84(5), Constitution). Challenges in the interests and assets declaration regime include the absence of a comprehensive verification and e-filing system and capacity constraints in ES. A reporting obligation for foreign financial accounts is not established.

The FIU is established based on AMLA and AML Regulations 2007.

*Measures for direct recovery of property; mechanisms for recovery of property through international cooperation in confiscation; international cooperation for purposes of confiscation (arts. 53, 54 and 55)*

There are no legal provisions that explicitly permit a foreign State to initiate legal proceedings in Tanzanian courts to establish title to or ownership of property. The Economic and Organized Crime Control Act and CPA permit the courts to order those who have committed corruption-related offences to pay compensation or damages.

MACMA and POCA allow Tanzanian authorities to enforce a foreign confiscation order, through an application by NPS to the High Court. The provisions apply to serious offences and foreign serious offences, which include corruption offences (sect. 3, POCA; sects. 32 and 3, MACMA.).

The system of asset recovery in the United Republic of Tanzania is conviction-based. However, POCA provides in some domestic cases for non-conviction-based forfeiture, such as when a person cannot be found, has absconded or died. For purposes of mutual legal assistance, a conviction is not required to enforce a foreign forfeiture or pecuniary penalty order, provided the NPS is satisfied that the order was properly made and is not subject to appeal in the foreign country (sect. 32(1)(b), MACMA).

The framework for the preservation, management and administration of seized assets pending confiscation is presently under review, and a bill to amend POCA has been drafted. While POCA gives investigating agencies some responsibility to manage seized property, there are limited budgets for asset management and difficulties in appointing trustees, due to the permissive nature of POCA (sect. 38).

The United Republic of Tanzania may refuse to execute foreign requests if their execution would impose an excessive burden on its resources and may lift provisional measures if the required documents to effect the confiscation are not provided.

Legal amendments to strengthen the oversight by NPS as central authority over the mutual legal assistance process have been initiated.

*Return and disposal of assets (art. 57)*

Property subject to a foreign forfeiture order shall be disposed of or otherwise dealt with in accordance with the direction of the NPS (sect. 18, POCA). The United Republic of Tanzania may share confiscated property based on the request of a foreign State, if a relevant agreement is in place (sect. 32A, MACMA). While it is the general

policy of the United Republic of Tanzania to return proceeds to requesting countries where there is no agreement, this policy is not reflected in the applicable legislation.

The United Republic of Tanzania assumes the ordinary costs of executing requests, unless otherwise agreed with a requesting State, while expenses of a substantial or extraordinary nature will be negotiated in advance (sect. 9C, MACMA).

The rights of bona fide third parties are protected under the PCCA and POCA.

### 3.2. Successes and good practices

- The establishment and operation of the Asset Tracing and Recovery Unit (ATRU) in PCCB and the Asset Forfeiture and Recovery Section (AFRS) in NPS.

### 3.3. Challenges in implementation

It is recommended that the United Republic of Tanzania:

- To ensure the widest measure of cooperation and assistance to all States parties, consider amending MACMA to extend its application beyond designated countries with which reciprocal arrangements for mutual legal assistance have been made. Furthermore, ensure the full implementation of the Convention's obligations under chapter V in respect of Zanzibar (art. 51).
- Amend the definition of PEPs in AMLA to include domestic PEPs, family members and close associates. Also, strengthen the capacity for on-site inspections of supervised entities, ensure that appropriate administrative and criminal measures are issued for violations of anti-money-laundering requirements, and ensure regular monitoring and follow-up on the results of the remedial action undertaken by supervised entities (art. 52, para. 1).
- Adopt relevant measures in accordance with article 52, paragraph 2 (b).
- Undertake a comprehensive review of the asset and income disclosure system, with a view to streamlining and modernizing it in line with international best practices, including electronic filing and enhanced monitoring and verification. Furthermore, consider adopting a code of ethics and disclosure system for staff not covered under PLCEA (art. 52, para. 5).
- Consider adopting measures requiring public officials to report foreign financial accounts and to maintain appropriate records related to such accounts (art. 52, para. 6).
- Specify in the law recovery mechanisms for injured parties to establish title or ownership of property and claim compensation in domestic proceedings (art. 53 (a) and (c)).
- Consider expanding the grounds on which confiscation may be obtained in the absence of a conviction under the national legislation (POCA) (art. 54, para. 1 (c)).
- Strengthen measures to preserve property for confiscation, including by strengthening the institutional set-up, coupled with the necessary legal basis and resources, and ensure appropriate coordination among implementing agencies, taking into account international experience (art. 54, para. 2 (c)).
- Continue efforts strengthening oversight by NPS as central authority over the mutual legal assistance process, including by adopting guidelines, procedures or practice directions on mutual legal assistance (art. 55, para. 8).
- Amend legislation to adopt measures providing for the return of proceeds to requesting States in accordance with article 57, paragraph 3.

**3.4. Technical assistance needs identified to improve implementation of the Convention**

- Legislative assistance (art. 54, para. 2 (c))
- Policymaking (art. 58)
- Capacity-building (arts. 53–57)

For details, please refer to the annex to the full report.

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