INTERNATIONAL EXPERT MEETING ON THE RETURN OF STOLEN ASSETS

Transparency and Accountability in the Asset Recovery Process: Tanzanian Perspective

ADDIS ABABA, ETHIOPIA
Agenda

- Introduction
- Asset Forfeiture Regime in Tanzania
- Reforms in Management of Natural Resources
- Accountability and Transparency in AR Process
- Conclusion and Recommendations
Introduction

- Dynamics of Illicit Financial Flows in Africa
- Report by High Level Panel on IFFs from Africa
- Report by Global Financial Integrity
- IFFs - Tanzania
Asset Forfeiture Regime: Tanzania

- National Legal Framework
  - The Mutual Assistance in Criminal Matters Act, No. 24 of 1991
  - The Proceeds of Crime Act, No. 25 of 1991

- International Instruments
  - UNTOC
  - UNCAC
  - FATF
Asset Forfeiture Regime: Tanzania

- National Institutional Framework
  - Establishment of FIU
  - Revamping of Tanzania Revenue Authority
  - Establishment of Prevention and Combating of Corruption Bureau

- International Institutional Framework
  - ESAMLAAAG
  - ARINSA
  - IAP, APA & EAAP
REFORMS: MGT OF NATURAL RESOURCES

- IFFs vs illegal exploitation of Natural Resources
- Legal Reforms
  > Institutional Reforms
- Recent Reports: Gold smuggling
REFORMS : MGT OF NATURAL RESOURCES
CASE OF JKIA SEIZURE

- Apprehension of Tanzanian National at JKIA
- Seizure of 35.34 Kgs of Gold
- Destination : DUBAI
- Mutual Talks for the Return of Gold btn Kenya & Tanzania (Ongoing)
- Transparency, Accountability & Trust : Key Factors
REFORMS: MGT OF NATURAL RESOURCES
SEIZURE OF 319 Kgs of Gold

- January, 2019, Seizure of 319.59 Kgs of Gold
- Value: $11.75 Million
- Cash seized: Tsh 305 Million = $132,608
- Foreign Nationals involved
- Destination: DUBAI via Kigali, RWANDA
Accountability & Transparency

- Key Factors
  - Legal Framework
  - Bilateral Agreements (Trust - a key factor)

- Practical Cases
  - BAE Systems (The Serious Fraud Office, the Government of Tanzania, BAE Systems and the Department for International Development (DFID))
  - Refunded amount of £29.5 million used to purchase books for Primary School Students (Key Condition of the Agreement)
Accountability & Transparency

- Practical Cases
  - EGMA Case
  - $600 Million loan by Tz Govt from Stanbic Bank (UK)
  - Inflated interest rates (1.4% to 2.4%)
  - $36.2 million (Payment of bribes & fines)
  - Return of excess amount via Bilateral Agreement between UK & Tanzania
  - Refunded amount of $7,046,196.58 to fund activities within Ministry of Health & Education (Key Condition of the Agreement)
Conclusion & Recommendations

- Adoption & implementation of Asset Recovery Strategy
- Development of Policies to attain mutual trust btn jurisdictions
- Use of informal Networks
Questions and Answers
“THANK YOU”

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