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Independent project evaluation of the

**Global Programme against Money  
Laundering, Proceeds of Crime and the  
Financing of Terrorism (GPML) in the  
Mekong Region from 2011-2013**

GLOU40  
Mekong Region

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This evaluation report was prepared by an evaluation team consisting of Dr. Punit Arora, Associates for International Management Services (AIMS). The Independent Evaluation Unit (IEU) of the United Nations Office on Drugs and Crime (UNODC) provides normative tools, guidelines and templates to be used in the evaluation process of projects. Please find the respective tools on the IEU web site: <http://www.unodc.org/unodc/en/evaluation/evaluation.html>

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This publication has not been formally edited.

# CONTENTS

	<i>Page</i>
List of acronyms .....	v
Executive summary .....	vi
Summary matrix of findings, evidence and recommendations.....	ix
I. Introduction.....	01
Background and context .....	01
Evaluation methodology .....	06
II. Evaluation findings.....	10
Design and relevance.....	10
Efficiency.....	13
Effectiveness.....	14
Impact .....	20
Sustainability .....	21
Partnerships and cooperation .....	23
Human rights mainstreaming.....	24
III. Conclusions.....	25
IV. Recommendations.....	27
V. Lessons learned.....	29
VI. Overall conclusion .....	30
<i>Annexes</i>	
I. Terms of reference of the evaluation .....	31
II. Results framework used for this evaluation .....	39
III. Desk review list .....	42
IV. Evaluation tools: questionnaires and interview guides.....	44

V. List of stakeholders interviewed .....	48
VI. Sample letters of commendation for the mentor .....	49
VII. Planned and actual results: An overview .....	51
VIII. Recommendations and implementation plan for 2010 evaluation.....	55
IX. Summary of recommendations from 2004 evaluation.....	63
X. Short biography of the evaluator .....	64

# LIST OF ACRONYMS

<b>AML</b>	Anti–Money Laundering
<b>AMLID</b>	Anti–Money Laundering International Database
<b>APG</b>	Asia Pacific Group on Money Laundering
<b>CFT</b>	Countering the Financing of Terrorism
<b>CTED</b>	Counter-Terrorism Committee Executive Directorate
<b>CTITF</b>	Counter-Terrorism Implementation Task Force
<b>NBFCs</b>	Non-banking financial corporations
<b>FIU</b>	Financial Intelligence Unit
<b>FSRB</b>	FATF-Style Regional Body
<b>FATF</b>	Financial Action Task Force
<b>GLOB79</b>	UNODC Project/Global Programme B79 (GPML 1997-2009)
<b>GLOU40</b>	UNODC Project/Global Programme U40 (GPML 2008-2012)
<b>GPML</b>	Global Programme against Money Laundering
<b>IMoLIN</b>	International Money Laundering Information Network (GPML website)
<b>IMF</b>	International Monetary Fund
<b>ToT</b>	Train-the-trainers programmes
<b>UNODC</b>	United Nations Office on Drugs and Crime
<b>UNOPS</b>	United Nations Office for Project Services
<b>UNOV</b>	United Nations Office at Vienna
<b>WG</b>	Working Group

# EXECUTIVE SUMMARY

UNODC estimates the amount of money laundered globally in a year to be in the range of 2 - 5% of global GDP. To address this colossal global challenge, the Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML) was established in 1997 with an anti-money laundering (AML) focus. In 2008, the programme was revised to include a Countering the Financing of Terrorism (CFT) component.

GPML is a global programme with an emphasis on technical cooperation, delivered primarily by field-based advisors and mentors with support of a core-team of headquarters-based professionals. The programme offers a range of products and services, including a website with AML/CFT reference material, a database on legislation and related documents, advisory services and training, both face-to-face and computer based.

In August 2011, GPML and Switzerland entered into a funding agreement to finance the work of GPML mentor in the Mekong region. The initial funding agreement was from 2011 to 2013, but it was later extended to September 2015. In addition to Swiss pledge for USD 1,617,000 over five years, the World Bank has pledged USD 288,900 over two years for GPML in the Mekong region. The GPML mentor thereat, who holds a joint UNODC - World Bank position, covers four Mekong countries viz., Cambodia, Lao PDR, Myanmar and Viet Nam. The mentor works directly with the national authorities for providing AML/CFT advice, training and technical assistance to support the establishment, development and implementation of AML/CFT regimes and raising awareness in government agencies, the legislature, the private sector, and the public at large, as appropriate.

The funding agreement with Switzerland called for this mid-term independent project evaluation. Accordingly, this evaluation covers the period August 2011 to December 2013. The programme has been evaluated on two previous occasions in 2004 and 2010. The present evaluation builds on the work of these two evaluations, but with a focus only on the Mekong region. This independent evaluation uses OECD-DAC evaluation criteria viz., relevance, efficiency, effectiveness, impact and sustainability, and as also specific criteria mentioned in ToR viz, partnerships and human rights mainstreaming. The programme's 'logical framework' was put together from various regional and country programmes to collate all of the results expected in one place. The evaluation covers the period August 2011 to December 2013, and draws on sources ranging from desk review of documents and focus groups on country missions to interviews with beneficiaries, partners and UNODC staff, and feedback surveys of trainees/beneficiaries.

**Relevance:** The evaluation found GPML to be relevant both to the global and regional campaigns aimed at curbing money laundering and terrorist financing. As the effectiveness of AML/CFT is only as strong as the weakest link in the chain, it is important to encourage all four countries in the Mekong region to be fully compliant with international norms and standards. While Vietnam just became compliant with the FATF standards and all the other countries in the region have yet to overcome their strategic deficiencies to be compliant with them, the relevance of GPML's activities in the region could not be more readily apparent. Thus is especially true when it comes to enforcement issues once the new legal frameworks have been fully operationalized and need to be implemented on the ground.

**Efficiency:** Since UNODC/ FRMS cannot provide data on GPML expenditure in the Mekong region, it is difficult to draw much inference in this regard. As far as the available information allows, the evaluation found the resources to have been efficiently utilized. The expenditure on mentor's activities in the region went down from \$54,500 in 2012 to \$39,000 in 2013. Despite the reduction in expenditure, the GPML mentor managed to increase both the number and geographical reach of these trainings by partnering with beneficiary institutions. Additionally, the GPML has initiated a number of steps such as train-the-trainers (ToT) programmes to simultaneously increase its effectiveness, efficiency and sustainability. The programme has also taken steps to deal with selection and attrition issues in training and mentoring.

**Effectiveness:** The overall objective for the programme in the Mekong region is to reduce opportunities and incentives for corruption and money laundering, and recovery of illegally acquired assets by governments. The evaluation notes a significant progress towards achievement of stated outcomes and objectives, especially on the legislative and institutional aspects of the AML/CFT regime set up. In addition to a much greater compliance of national AML/CFT laws with international standards in beneficiary countries (Vietnam is now broadly compliant and Cambodia is close to being compliant), FIUs are increasingly more operational, and police, customs and prosecuting officials are becoming more knowledgeable and aware. The actual initiation of investigation, seizures and prosecution of cases is now being undertaken to a limited extent.

**Impacts:** The available evidence suggests that so far only small steps have been taken in this respect. The number of STRs received by the Financial Intelligence Unit (FIU) in Vietnam increased from around 300 in 2010 to over 700 in 2013. Of these, about 76 cases related to 692 STRs from 2010 to 2013 were transferred to police. Only two of these cases have led to actual prosecution so far, while some are still under investigation. The corresponding number of STRs in Cambodia is about 100 a year. In comparison, only about 100 STRs were received in Lao over last 7 years. No prosecution on ML/FT offences was reported from these countries. Similarly, the customs department of Vietnam has taken small steps towards enforcing cash smuggling laws. They detected 16 cases of illegal cash (counterfeit or real) transportation in 2013. While these achievements may not appear to be very significant, stakeholder interviews indicated that these achievements actually represent important early breakthroughs towards eventual much larger impacts on the ground.

**Sustainability:** The evaluation finds that GPML has once again made significant progress, and all stakeholders including UNODC, its partner institutions, mentor and beneficiaries have made significant contributions towards this. That said, indicators such as officials' greater comfort in investigating and prosecuting predicate offences rather than money-laundering components associated with such offences show that the results are not yet sustainable without further external support. In view of limited time and resource availability, the evaluation also indicates the need for the GPML to take initiative and collaborate with partner organizations to identify high-risk sectors by encouraging early completion of national risk assessments. The evaluation also found the need for establishing and nurturing local, national and regional networks of like-minded AML/CFT professionals to simultaneously increase the programme's effectiveness, efficiency and sustainability.

**Partnerships:** In terms of strategic priorities and the sustainability of the programme itself, GPML could benefit from increased collaboration with partner organizations, especially when it comes to developing results framework and annual strategic priorities. There is also a case for creating stronger institutional systems and incentives, such as seeking inputs to mentors' performance appraisals, for collaboration. The evaluation also found the need for improving

results and financial reporting for better responsiveness to the needs and requirements of partner organizations.

**Conclusions:** The available evidence suggests that the mentoring system continues to be a source of major competitive advantage for GPML. The mentor's continuous availability and ongoing support are universally regarded as invaluable in building trust and relationships and promoting AML/CFT agenda in a politically volatile and difficult region. Another competitive advantage that GPML appears to possess pertains to its strength in providing technical assistance on operational and enforcement issues. Overall, the evaluation indicates that the GPML has a critical role to play in addressing the larger problems of drugs, crime and terror in the Mekong region, where most of the countries are either part of the infamous 'golden triangle' or at its very cusp. The programme enjoys the benefit of perceived neutrality associated with the United Nations system as well critical support of and partnerships with institutions such as the World Bank. It also possesses certain competitive advantages such as its mentoring programme and its special knowledge on operational issues pertaining to effectiveness of AML/CFT regime. All of these advantages, as well as the programme's success in delivering planned outcomes and objectives justify a continuation of support to the programme.

**Recommendations:** Given its widespread recognition as an effective delivery solution, UNODC should continue to focus on mentoring as the main mechanism for delivering technical assistance with a focus on operational aspects of AML/CFT regime. However, in order to live up to its full potential, GPML needs to act on operational and administrative issues identified during this evaluation. These include but are not limited to improving strategic orientation in planning, increasing collaborative spirit in partnerships and increasing depth and quality in data collection, monitoring, evaluation and reporting. GPML should also promote, establish and nurture local and regional networks to facilitate greater interaction among direct and indirect beneficiaries to have a greater impact on AML/ CFT situation in the beneficiary countries. Further, once it is determined that Vietnam is on a sustainable path, UNODC/ GPML, in active consultation with various stakeholders, should consider moving the mentor to a different country in the Mekong region. This is because the evaluation finds that the mentor has the maximum impact in a country where they are based. Finally, UNODC/ GPML needs to work with FRMS to develop more effective financial and management accounting solutions that meet all stakeholders' needs.

**Lessons learned:** The evaluation notes six key lessons learned. (1) Mentoring works the best in the country mentor is located at because its success depends on trust and long-term relationships; (2) The mentors should continue to be selected and relocated to be in sync with the changing needs of the beneficiary countries; (3) Train-the-trainers programmes provide an effective strategy for improving programme's impacts on ground, but they require enabling infrastructure and supportive environment to realize their full potential; (4) To reduce attrition from training by way of people leaving their positions for promotions or otherwise and to realize full potential of trainings, trainers need to be involved in selecting right people for the programme; (5) In the absence of critical mass of trained people in various units at the local level, it is hard to use and benefit from newly acquired knowledge and skills; and (6) Effective networks can increase the potential for sharing knowledge and experiences and building trust and relationships, and hence programme interventions like GPML should actively seek to establish and nurture them.

The summary matrix below provides more specific information on findings, supporting evidence and nine recommendations made by the evaluation.

# SUMMARY MATRIX OF FINDINGS, EVIDENCE AND RECOMMENDATIONS

Findings	Evidence (sources that substantiate findings)	Recommendations
<b>Key recommendations</b>		
<p>1. GPML continues to be particularly successful in providing mentoring and advisory services at the field level, thereby enabling recipient countries to address money laundering more successfully.</p>	<p>The 2010 evaluation of GPML had concluded that the mentoring programme and support for increasing operational effectiveness of the beneficiary countries were the competitive advantages of the GPML. This continues to be true, and the evidence collected during this evaluation further support this contention. Desk review of reference documents, interviews with beneficiaries and partner institutions, as well as feedback surveys of training recipients all supported this finding.</p>	<p>UNODC should continue to focus on mentoring as a mechanism for delivering technical assistance (TA) on operational aspects of AML/CFT system. That said, UNODC should also consider commissioning a specific study (in-house or external) to examine and demonstrate comparative cost-benefit analysis of various TA delivery mechanisms on AML/CFT.</p>
<p>2. Data on use of training and mentoring — a key programme outcome — is not collected in a systematic manner, and this is a key weakness of the programme when it comes to demonstrating programme success.</p>	<p>No data on use of training by the beneficiaries for the intended purpose is being currently collected.</p>	<p>Data collection on <i>use</i> of training and mentoring needs to be made more systematic and routine. The mentor must send out a follow up survey 6 months after completion of training to collect data on its use.</p>
<p>3. While the GPML activities in the region are sufficiently aligned with the priorities of donors and member states, it could be improved further by putting in place better systems for regular interactions and consultations with key stakeholders.</p>	<p>It was not always clear that donors and partners had been adequately consulted in determining annual strategic priorities for the region, and stakeholder interviews indicated the need for greater consultation in developing results framework and determining annual strategic priorities for the region.</p>	<p>GPML should develop mechanisms for consultation with donors and partners organizations on results framework and annual strategic priorities on an on-going basis.</p>
<p>4. GPML can increase effectiveness and</p>	<p>Stakeholder interviews indicated that AML/ CFT</p>	<p>GPML should promote, establish and nurture local and</p>

efficiency by harnessing the power of local, national and regional networks that collaborate on knowledge, resources, relationships and experiences.	officials trained by GPML need continuous support for professional development.	regional networks to facilitate greater interaction among direct and indirect beneficiaries to have a greater impact on AML/CFT situation in the beneficiary countries.
5. While some countries can (and have) partly finance GPML activities, they need mentoring and technical assistance to continue in the foreseeable future for the impacts to be sustainable.	Stakeholder interviews indicated a near universal acknowledgement on the need to continue supporting beneficiary countries for sustained success.	UNODC/ GPML needs to develop better reporting systems to report results information for continued support from donor and partner organizations.
<b>Important recommendations</b>		
6. The mentor has the highest impact in the country where he is based in by virtue of his developing trust, relationships and support networks.	Stakeholder interviews indicated a need for in-country mentors in complex situations for persistent advice, training, and relationship building.	UNODC/ GPML should consider moving the mentor to a different country in the Mekong region once it is determined that Vietnam is on a sustainable path.
7. While GPML has done a satisfactory job in building and leveraging collaborations with partner organizations, the evaluation also found a perceived need to provide greater incentives to mentor for increased collaboration with partner organizations.	Stakeholder interviews and document review, including letters of commendation for the mentor from APG	GPML should provide greater incentives for increased responsiveness to partners by inviting appropriate colleagues from partner organizations to provide inputs into mentor's annual performance reports.
8. The financial reports provided by the UNODC/ GPML do not meet donor needs.	Donors indicated a need for more granular financial information to satisfy their own reporting requirements.	UNODC/ GPML needs to work with FRMS and donors to develop financial reports that provide granular information required by the donors.
9. While satisfactory progress is being made in achieving objectives and outcomes, there is a need to encourage risk assessment at country-level to identify and target more high-at-risk sectors.	Stakeholder interviews indicated the need to identify and target high-risk sectors such as casinos and non-banking financial companies.	UNODC should collaborate with the World Bank and other partner organizations to undertake national risk assessments on a priority basis.

# I. INTRODUCTION

UNODC estimates<sup>1</sup> that the “amount of money laundered globally in one year is 2 - 5% of global GDP, or \$800 billion - \$2 trillion in current US dollars. Though the margin between those figures is huge, even the lower estimate underlines the seriousness of the problem governments have pledged to address.” It is to meet this challenge that the global programme against money laundering was launched in 1997.

## ***Background and context***

Project GLOU40 entitled *The Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML, henceforth)*, as the successor to the *Global Programme against Money Laundering (GLOB79)* established in 1997 under the then United Nations Drug Control Programme (UNDCP), encourages policy development on anti-money laundering (AML) and countering the financing of terrorism (CFT), raises public awareness about the cross-cutting aspects of money laundering and the financing of terrorism, contributes to the strengthening of governance measures and anti-corruption policies, and acts as a centre of expertise of anti-money laundering and, jointly with the Terrorism Prevention Branch, countering the financing of terrorism.

GPML works in tandem with partners like the World Bank, the International Monetary Fund, the Egmont Group of Financial Intelligence Units (FIU), the Financial Action Task Force (FATF), FATF style regional bodies (FSRBs) and the United Nations Counter-Terrorism Committee (CTED). It offers specialized services and tools to help Governments deal with an important action against crime, the removal of profits of such crime, thereby providing a disincentive for committing them, and as such the programme is pivotal to achieving UNODC’s mandate for preventing crimes as explained in the Working paper prepared by the Secretariat for the Twelfth United Nations Congress on Crime Prevention and Criminal Justice on International cooperation to address money-laundering based on relevant United Nations and other instruments (A/CONF.213/8. Para. 65):

*“UNODC, in particular through its Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism, has been mandated to strengthen the ability of Member States to implement measures against money laundering and to assist them in detecting, seizing and confiscating illicit proceeds, as required pursuant to United Nations instruments and other globally accepted standards, by providing relevant and appropriate technical assistance.”*

GPML focuses on these objectives and functions as an ongoing ‘rolling’ project, with a biennial budget and has a drugs and a crime component. The project seeks to develop financial integrity and transparency in UN Member States with a view to contributing to the development of sound economic and financial environments, a prerequisite for generating long-term sustainable development and investment.

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<sup>1</sup> <https://www.unodc.org/unodc/en/money-laundering/globalization.html>

The original project (GLOB79: 1996-31<sup>st</sup> March 2008) was substantively revised in 2007, when a first detailed results framework (Logical Framework) was added. For the successor project (GLOU40: 1<sup>st</sup> April – 31<sup>st</sup> March 2010) the framework was revised with the support of UNODC's Strategic Planning Unit (SPU) for better compliance with UNODC's standards.

Since the inception of the new project GLOU40 in March 2008, GPML has undergone several project revisions, only one of which was substantive and resulted in an extended duration of the programme (1 April 2008 - 31 December 2015). In addition, the revised document refers to staffing and budget changes in connection with the Implementation Support Section (ISS) of the Organized Crime and Illicit Trafficking Branch (OCB). The non-substantive project revisions have been predominately administrative in nature with the purpose of transferring GPML mentors (P-4 temporary posts) from UNOPS segment to UNODC Headquarters segment. The approved project budget remained the same for these project revision purposes.<sup>2</sup>

GPML's activities under this project are carried out under the Theme of Rule of Law, and the project seeks to contribute to three results areas: (1) international cooperation in criminal justice matters (Result area 1.2), (2) strengthened capacity of member-states to establish comprehensive and effective regimes against money-laundering and the financing of terrorism in accordance with relevant General Assembly (GA) resolutions (Result 1.2.2), and (3) strengthened capacity of Member States to establish comprehensive and effective regimes against money-laundering related to organized crime, drug trafficking and corruption (Result 1.2.3).

It purports to do so both by contributing to the strengthening of governance, financial integrity, capacity for financial intelligence gathering and enhancement of investigative and prosecutorial systems with regard to money-laundering, the proceeds of crime and the financing of terrorism in accordance with related United Nations instruments and other AML/CFT standards, and by building the capacity of legislative bodies, criminal justice officials, supervisory and regulatory authorities and the private sector to draft, adopt and implement laws and regulations to combat money-laundering and the financing of terrorism.

## ***GPML Project Objectives and outcomes***

The stated objectives, outcomes and outputs of the GPML are as follows:

**Objective:** Assist Member States to prevent and suppress illicit financial flows (IFF) from drugs and crime and to implement UN conventions and internationally accepted standards for anti-money laundering and the counter-financing of terrorism (AML/CFT).

**Outcome 1:** Member States have available improved knowledge on illicit financial flows, money-laundering and the financing of terrorism.

**Output 1.1:** Legislative bodies, criminal justice officials, financial supervisory and regulatory authorities, law enforcement officials and FIU personnel have increased awareness of money laundering and terrorism financing issues and methods to combat them.

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<sup>2</sup> Please refer to the Project Revision documents included as part of the desk review material.

**Output 1.2:** GPML has researched, drafted and disseminated reports, briefing notes, speeches, publications, and studies related to IFF and AML/CFT.

**Output 1.3:** The International Money Laundering Information Network (IMoLIN), including the Anti-Money Laundering International Database (AMLID) is promoted, used and updated.

**Output 1.4:** GPML's contribution to Regional and Country Programmes and Strategies.

**Output 1.5:** Reporting to the Commission on Narcotic Drugs (CND) and the Commission on Crime Prevention and Criminal Justice (CCPCJ) is provided.

**Outcome 2:** Member States have effective and updated AML/CFT legal frameworks, regulatory regimes and necessary law enforcement skills and practices to prevent and combat illicit financial flows from drugs and crime in accordance with international standards.

**Output 2.1:** Review and enhance AML/CFT laws, regulations, and policies to align with relevant UN Conventions and international standards.

**Output 2.2:** Assisted Member States have mandated and trained national regulatory and financial supervisory officials, judiciary and law enforcement officials, including Financial Intelligence Units personnel, to deal with AML/CFT.

**Outcome 3:** Enhanced national-level coordination and regional/international cooperation among Member States, International Organizations, and regional bodies on AML/CFT matters.

**Output 3.1:** Creation of formal and informal networks among AML/CFT professionals.

**Output 3.2:** Expert technical advice and inputs are provided to inter-regional and international stakeholders dealing with AML/CFT matters.

**Output 3.3:** Assisted Member States have enhanced mechanisms and tools for bilateral and multilateral cooperation on AML/CFT.

**Output 3.4:** Assisted Member States have informal, regional networks for the confiscation and forfeiture of criminal proceeds.

## ***Disbursement history***

The table 1 and Chart 1 below provide the disbursement history and total expenditure of the programme. GPML had a total expenditure of about USD twelve million dollars by the end of 2013. As is to be expected of a programme of this nature, a majority (62%) of the expenditure was on personnel, followed by travel (14%) and support costs (12%). See chart 2 below.

Table 1: Disbursement and financial expenditure on the GPML by category

<b>Total disbursement for the GPML</b>			
Overall Budget (2008-2015)	Total Approved Budget (2008-2014)	Expenditure (2008-2013)	Expenditure in % (2008-2013)
USD 27,493,286	USD 23,044,036	USD 15,825,525	67%

<b>Total expenditure by category</b>			
Description	Expenditures up to 2013	Expenditure in 2013	Total Expenditure
Travel	1,508,448	194,524	1,702,972
Personnel	6,002,325	1,525,648	7,527,973
Subcontracts	148,297	0	148,297
Training	623,764	325,909	949,673
Equipment	88,508	33,342	121,850
Miscellaneous	179,922	64,333	244,255
Support costs	1,111,664	278,689	1,390,353
<b>Project Total</b>	<b>9,662,928</b>	<b>2,422,445</b>	<b>12,085,373</b>

Chart 1: Total expenditure by category

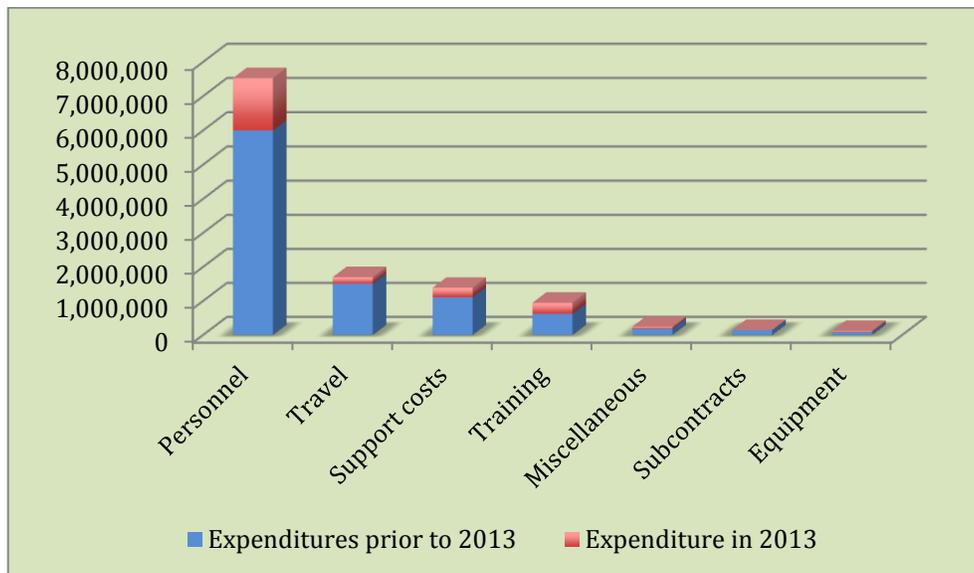
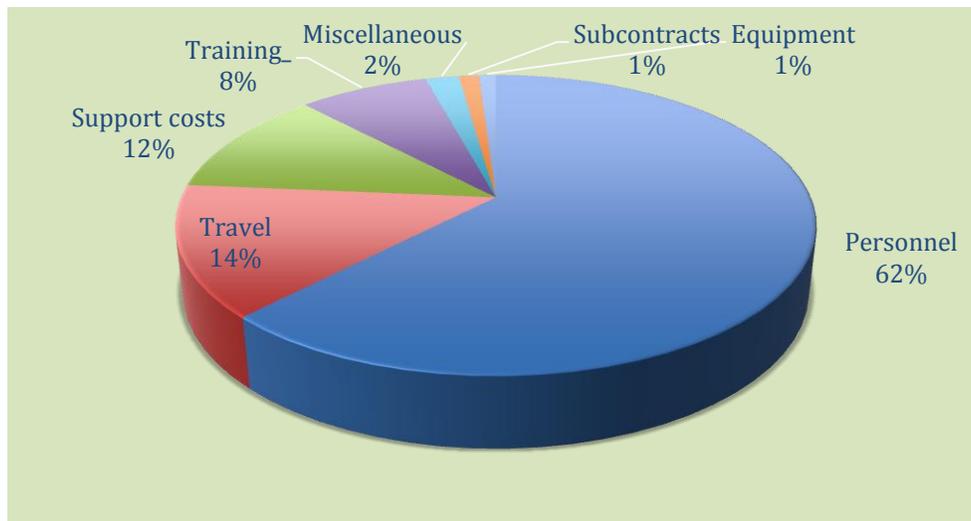


Chart 2: Proportionate expenditure by category



Of this, Switzerland has pledged USD 1,617,000 for GPML in the Mekong region over five years (2011-2015) and the World Bank has pledged USD 288,900 over two years (2012-14). While GPML and FRMS have uncertified/ unaudited information on expenditure specific to the Mekong region, they are not allowed to share it as per UNODC rules and regulations. As per the information available from the mentor's office, the expenditure on his activities was \$54,500 in 2012 and \$39,000 in 2013.

### ***The evaluation backdrop***

The programme has been evaluated on two previous occasions in 2004 and 2010. The last evaluation of the Programme in 2010 concluded that GPML had been successful in influencing the adoption of national legislation and the establishment of law enforcement institutions and procedures through its mentoring, training and information support systems.

The present evaluation builds on the work of these two evaluations, but with a focus only on the Mekong region. At a donors meeting in December 2010, where the findings of the previous evaluation were presented, the representative of Switzerland expressed an interest in the work of the GPML mentor in the Mekong region. As a follow-up, GPML prepared a multi-year funding proposal and concluded a funding agreement with Switzerland in August 2011. The initial funding agreement was from 2011 to 2013 and was later extended to September 2015.

Accordingly, this mid-term independent project evaluation covers the period August 2011 to December 2013. The GPML mentor, who holds a joint UNODC - World Bank position, covers four Mekong countries viz., Cambodia, Lao PDR, Myanmar and Viet Nam. The mentor works directly with the national authorities for providing AML/CFT advice, training and technical assistance to support the establishment, development and implementation of AML/CFT regimes. Specifically, he is expected to provide technical assistance, advice and support capacity building, in accordance with applicable national law, in the following areas:

- Assisting in the establishment of institutions capable of implementing the regime, including a financial intelligence unit (FIU), where appropriate;
- Supporting capacity building of the FIU, including policies and operational practices, including: relations with regulatory and law enforcement agencies, information and analysis systems, personnel training programs, and mutual legal assistance and information exchange capacity;
- Planning and coordinating AML/CFT technical assistance and training in the relevant national institutions by donor organizations and interested countries;
- Fostering contacts and, where appropriate, co-operation with regional and international AML/CFT officials and relevant international/inter-governmental bodies;
- Developing regulatory policies and procedures along with capacity building for regulators;
- Raising awareness in government agencies, the legislature, the private sector, and the public at large, as appropriate.

The GPML mentor is also expected to work in cooperation with the Asia-Pacific Group on Money Laundering (APG), where necessary, to ensure leveraging of resources and coordination of activities in ways that are advantageous for the South East Asian countries.

### ***Purpose of the evaluation***

The evaluation was requested by Switzerland, one of the two donors for GPML in the Mekong region. (World Bank is the other donor). The request was embodied in the original funding agreement and in its subsequent amendment. It was originally planned for 2013, but was postponed by mutual agreement between Switzerland and UNODC to 2014.

The evaluation was conducted both to provide accountability to the donor by determining whether the project objectives are being achieved and resources are being efficiently utilized, as well as to equip stakeholders, including management, with organizational learning on notable programme successes and areas of improvement (best practices and lessons learned). The evaluation was also expected to distinguish between accountability and lessons learned, as also to set priorities and suggest new strategic directions.

The Independent Evaluation Unit (IEU) at UNODC guided the evaluation in regards to quality assurance in situ and from headquarters through the provision of guidelines, formats, assistance, advice and clearance on key deliverables during the evaluation process. IEU further ensures that the GPML evaluation conforms to the United Nations Evaluation Group (UNEG) Norms and Standards.

### ***Scope of the evaluation***

The unit of analysis of the evaluation was the programmatic response of UNODC to money laundering and the financing of terrorism, which the Organization is implementing in compliance with the relevant declarations, resolutions and decisions adopted by the UN General Assembly (GA), the UN Security Council, the Economic and Social Council (ECOSOC), the Commission on Narcotic Drugs (CND), the Commission on Crime Prevention and Criminal Justice (CCPCJ), and the Financial Action Task Force.

Specifically, the evaluation covered the activities of the AML/CFT mentor/ adviser under the Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML), in the Mekong Region during the period of August 2011 to December 2013.

### ***Evaluation Methodology***

In addition to the evaluation criteria recommended by OECD's Development Assistance Committee viz., relevance, effectiveness, efficiency, impact, and sustainability, this evaluation also sought answers pertaining to human rights mainstreaming. Additionally, in accordance with the Terms of Reference (TOR) for the evaluation (Annex I), the evaluation also focused on analyzing the outcomes on partnerships and identification of lessons learned. The corresponding evaluation questions identified in the evaluation TOR (Annex I) served as a basis for developing a results framework for this evaluation (Annex II), desk review of documents (Annex III), development of evaluation tools (Annex IV), and data collection using semi-structured interviews of identified core learning partners and beneficiaries (Annex V).

In evaluating relevance, attention was paid to both UNODC's mandate and the needs of the recipients. While in evaluating effectiveness, the focus was on the relationship between outputs and outcomes and outcomes and impacts. Efficiency is concerned with the relationship between inputs and outputs, and the relevant data was sought accordingly. Efficiency was judged, to the extent possible, with regard to findings on effectiveness. Impacts, which refers to the long-term achievements of a programme, typically need longer-term (and often lagged) data that are acquired by beneficiaries of the programme rather than by the programme itself, was determined based on 2004 baselines, if available, progress reporting and information on the activities of other technical assistance providers in a country. Further, data on shortly expected impacts was collected from a variety of sources to build plausible scenarios on the likelihood of their delivery. Lastly, sustainability pertains to the likelihood of continuation on a trajectory of success post-intervention. These questions focused on the AML/CFT structure in Member States and on whether or not self-sufficiency and ownership have been promoted by the programme. While it is the hardest measure to predict, persistent use of new knowledge and skills by the trainees and their taking up the task of training other colleagues within their organizations gives the best indication of an intervention's sustainability in the beneficiary countries. Some questions also related to the programme's own sustainability, which is very much related to its funding structure.

A first step of the evaluation was to translate the objectives and outcomes in various country and regional programmes into a single logical framework (or 'logframe') for evaluation. This involved connecting the outputs and activities of the project to the outcomes that were expected to result, and organizing these in terms of the objectives that were expected to have been achieved by December 31, 2013. The revised logframe for the evaluation (see Annex II) is based on existing objectives and outcomes, which were converted into end-states that could be observed.

Based on the logical framework, data were acquired from three broad sources: records and documents including a sample of training feedback surveys (See Annex III) and interviews with a wide range of stakeholders (Annex V). The record and documentation review focussed first on the connection between policy proposals and drafts made by GPML mentor and the extent of their use by the intended beneficiaries. Second, the records review focused on the role of mentoring and advice in promoting eventual adoption of these policy proposals in the regulatory frameworks in the region. Third, the documents reviewed were also considered in evaluating the relevance and use of training activities conducted by the mentor.

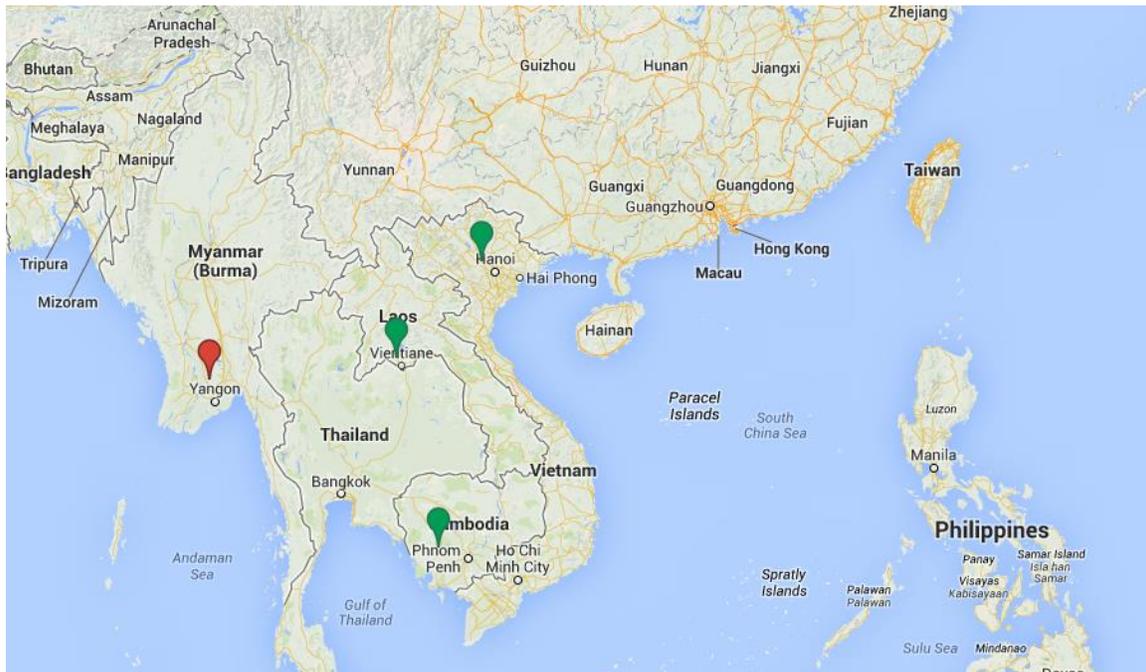
Interviews were undertaken over a two-week period with a wide range of persons belonging to beneficiary institutions, partner organizations, donors and UNODC headquarters staff and the mentor in the Mekong region. Some of these interviews were conducted in person on missions to Vietnam (Apr 21), Laos (Apr 10) and Cambodia (Apr 14), and the remaining interviews were conducted over web or phone. Map 1 shows the beneficiaries in programme countries that were interviewed in person (green marker) and those that were interviewed over phone/web (red marker). The selection of meetings and countries visited was based on the level and types of activities in a region/country, with some limitations related to the timing of the mission, as well as to resources for travel (see section on limitations of the evaluation). Overall, 28 persons were interviewed across all relevant stakeholder groups. The interviews were based on the protocols shown in Annex IV, and the full list of interviewees can be found in Annex V.

Finally, an effort was made to obtain data on the use of training and mentoring services by those who participated. Given the short timeframe and procedural complexities involved in obtaining governmental clearances to obtain direct responses from the beneficiaries in the region meant that primary surveys could not be undertaken (see limitations section below). Instead, training

feedback forms collected at the end of various trainings had to be used to obtain information on change in knowledge and skills of participants. This was supplemented by using the data from previous survey undertaken by the evaluation team in 2010, which included beneficiaries from the Mekong region. This data was only used to obtain indicative information on missing data (that going forward should be collected on a regular bases by the programme- see recommendations section).

In analyzing the findings, the evaluation also took into account the recommendations made in the evaluations of GPML undertaken in 2004 and 2010.

**Map 1. Evaluation: Scope and Country Missions**



Source: Google map created by the evaluator

## Limitations

This sections lists the three limitations that this evaluation confronted and the steps taken to overcome these limitations:

1. The evaluation worked on a very tight time schedule. Each of the country missions was only a day long, which limited the number of stakeholders that could be interviewed. It also made the process of data collection, both secondary and primary, a bit challenging. To overcome this limitation, several interviews were conducted over phone or web. Given the time zone difference between Asia, Europe and New York, many of these had to be scheduled late at night.
2. The original evaluation design as outlined in the inception report envisaged a primary survey of the beneficiaries from training and mentoring activities of the GPML adviser in the region. However, given the limited amount of time available for data collection and procedural

complexities involved in obtaining necessary governmental clearances—the trainees need to contact their departmental superiors with questionnaires to obtain clearance before filling in the survey—as well as translating the surveys in multiple regional languages to obtain reliable responses, this plan had to be abandoned at the suggestion of GPML mentor and headquarters staff very early on. Instead, a sample of feedback questionnaires completed by the trainees at the end of various training events was selected and translated into English. This feedback provided self-evaluation of trainees on their increased knowledge and skills on relevant subjects. However, since this source does not provide information on actual use of training, survey data collected by the evaluator as a part of the 2010 evaluation team, which included robust information on use of training worldwide, including in the Mekong region, was used to supplement trainees’ self-evaluation as evidence of likely use of training. While this is not an ideal approach by any means, and the evaluator would be the first person to acknowledge it, this probably represents the best indicative evidence on use of training available as of today.

3. The evaluation also faced a trade off between wide participation and timely completion. Convenience sampling for interviews limits generalization of findings to the larger populations from which the sample was drawn. We cannot be certain that the perspectives of the beneficiaries interviewed represent the perspectives of all the beneficiaries that received assistance under GLOU40. While almost all core learning partners were interviewed, very few outside of this group were. We cannot similarly be definitive about the counterfactual scenario: Would the AML/CFT regimes in the beneficiary countries be in a similar state without the assistance of GPML, with or without assistance from alternative service providers? While every care has been taken to triangulate information from multiple sources to arrive at conclusions, findings from a study with small sample size (typically 2-5 stakeholders represented their organizations) needs to be cautiously interpreted.

## II. EVALUATION FINDINGS

In this section, the primary findings from this midterm evaluation of GLOU40 activities in the Mekong Region are detailed. The findings are discussed and grouped by the following OECD DAC criteria: relevance, efficiency, effectiveness, impact and sustainability of GLOU40 activities and outcomes. Additionally, we also provide information on our assessment of partnerships and human rights mainstreaming as called for by the terms of reference for this evaluation. For each of these criteria, findings are then organized by the research questions driving the evaluation. While the findings cover all the questions asked or topics raised in terms of reference, the focus would be on those issues or topics that were identified as salient across respondents and project documents. The section includes a table summarizing all study findings by outcomes from the programme logframe (See Table 2).

### ***Design and relevance***

1. How relevant is the AML/CFT agenda for the beneficiary Member States in the Mekong Region?

➤ *The AML/CFT agenda of the GPML (GLOU40) is fully in line with the regional and global priorities.*

Anti-money laundering is a key component for reducing crime, corruption and terrorism of all kinds by disincentivizing monetary returns. Four international conventions provide UNODC a mandate for this purpose, and three of these are linked to money-laundering (the Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, the Convention Against Transnational Organized Crime and the Convention against Corruption, and the fourth (the International Convention for the Suppression of the Financing of Terrorism) forms the basis for GPML’s mandate to fight terrorism. Overall, GPML’s work is thus certainly relevant to UNODC’s mandate.

The evaluation found that stakeholders interviewed unanimously considered GPML to be relevant both to the global and regional campaigns aimed at curbing money laundering and terrorist financing. Given that the global anti-money laundering measures are only as strong as the weakest link in the chain, it is critical to ensure that all countries that lag behind in implementing these measures are encouraged, advised and supported in becoming fully compliant with the global standards. Since all four countries in the Mekong region have yet to fully comply with international norms and standards — while Vietnam just exited the FATF ICRG list in February 2014; Cambodia, Lao PDR and Myanmar still need to overcome AML/CFT strategic deficiencies and as a result remain on the FATF ICRG lists — the relevance of mentor’s activities in the region could not be more readily apparent. This is especially true when it comes to implementation and enforcement issues once the new legal frameworks have been fully operationalized and need to be implemented on ground.

Stakeholders in the region also almost unanimously cited four competitive advantages that GPML enjoys over other providers of technical assistance pertaining to control of money

laundering activities. One, mentor's continuous availability and ongoing support are universally regarded as invaluable in building trust and relationships and promoting AML/CFT agenda. The intangible benefits from these trust and relationship building activities in a politically volatile and difficult region likely far outweigh the costs associated with the programme. A case in point is Lao PDR turning its back and on international processes and completely withdrawing from engagement with international community in 2012. Two, availability of a dedicated mentor likely makes it possible to have a higher engagement in legislative processes, mentoring, capacity building and responding to crises as they emerge. Three, GPML operates under the umbrella of UN, which makes it more palatable for the beneficiaries to receive support. Even bilateral technical assistance provider acknowledged this to be a big competitive advantage for the GPML. Lastly, GPML in particular and UNODC in general appear to be better at providing technical assistance on operational and enforcement issues, while international financial institutions enjoyed competitive advantage in assistance pertaining to developing regulatory frameworks, risk assessments and capacity of financial institutions. This is a matter of relative advantage and does not in any way detract from the importance of work of the World Bank and bilateral organizations, which also provide technical assistance on criminal justice sector issues including on building law enforcement capacity.

Overall, while GPML's mentoring programme was widely recognized as the mechanism that made substantial contributions to improving AML/CFT regime in the region. Country beneficiaries/ counterparts also indicated an on-going need in their countries for technical assistance on AML/CFT.

2. To what extent are activities sufficiently aligned with the priorities of donors and member states?
  - *While the GPML activities in the region are sufficiently aligned with the priorities of donors and member states, it could be improved further by putting in place better systems for regular interactions and consultations with key stakeholders.*

As noted previously, Switzerland and the World Bank jointly fund the GPML. Vietnam is a strategic priority for Switzerland and the World Bank as an international financial institution is interested in the entire region. AML/CFT mentor has three primary roles/ activities in the region: (1) build trust and relationships among various institutions to facilitate success of AML/CFT regimes, (2) advise and mentor beneficiary organizations ranging from government and financial institutions to police and customs on issues ranging from drafting legislation and memorandum to solving routine operational challenges and facilitating cooperation with counterparts within the country and beyond, and (3) conduct trainings on various aspects of AML/CFT regime.

All interviewed stakeholders expressed strong appreciation for the role played by the mentor in building trust and relationship towards facilitating a better AML/CFT regime. Over the period under evaluation, the GPML mentor advised a large number of beneficiaries in a variety of organizations ranging from government ministries and financial intelligence units to counter terrorism police and customs on a wide variety of relevant topics. In addition to mentioning it in interviews, the evaluator was provided several formal letters of appreciation for the mentor's work in this regard. Two such letters are included as typical examples to illustrate this in Annex VI.

The training programmes conducted by the GPML mentor are the most tangible and measurable of his activities. The mentor conducted 35 trainings in the period under evaluation (1 in 2011, 14 in 2012 and 20 in 2013); 17 of these events were in Vietnam, 15 in Cambodia and 1 each in Lao and Myanmar. In terms of beneficiaries, most of these training activities focused on increasing knowledge and awareness of staff at implementing agencies: 12 each for police and customs, 5 for prosecution and judges, 3 involved multiple units and the remainder for banks and others. However, no events have so far involved raising awareness of business communities and “public and private sector nationwide” as specified in the results frameworks for the country programmes (for example in Laos country programme Output 2.4.2).

While stakeholders were generally satisfied with the alignment of these training programmes to their priorities, some of the key stakeholders felt that the strategic orientation of training programmes could be improved. Put differently, it was felt that some times training programmes were conducted on an ad hoc basis rather than with a long-term orientation.

Overall, the activities of the GPML in the region appear to be satisfactorily aligned with those of its stakeholders including donors and member states.

3. Considering the various players involved in technical assistance delivery, are the priority areas and objectives of GPML relevant to responding to the sub-regional needs? Does GPML provide an appropriate solution to the AML/CFT problems it seeks to address? To what extent are the originally proposed project outcomes / outputs relevant to the overall and immediate objectives of GPML?

➤ *GPML focuses on providing policy advice for meeting international norms and standards in legislation and raising awareness and building capacity of partner institutions in the beneficiary countries to implement new legislations, and it is responding to the relevant regional and national needs in that regard.*

Given that all four countries in the Mekong region are still in the process of compliance with international norms and standards, as codified in FATF recommendations, it is no surprise that providing inputs and supporting the countries in their legislative activities has been one of the primary focus for mentor’s activities in the region. While Vietnam was on the ICRG list till Feb 2014 when the plenary meeting of the Financial Action Task Force (FATF) considered Vietnam to be finally in compliance with its legislative requirements, Cambodia, Lao and Myanmar still remain on this list. Therefore, the mentor will need to continue to assist the countries in the region with regard to drafting and adoption of legislation that gets their legislation to be in compliance with international norms and standards and the requirements of FATF.

According to interviewed stakeholders, once the legislation in these four countries is in place, the focus of mutual evaluations at FATF/APG will shift to actual compliance and effectiveness i.e. the future mutual evaluations would focus more on the effectiveness with which new AML/CFT laws are implemented by these countries. This is especially important in light of new FATF standards that focus on effectiveness. The GPML and its mentor in the region, given the mentor’s background and experience in implementation aspects of AML/CFT, are in a great position to respond to these shifting needs and priorities.

## **Efficiency**

4. To what extent have the resources/inputs (funds, expertise, staff time, etc.) been converted to outputs in a timely and cost-effective manner, and what measures have been taken to ensure their efficient utilization?
  - Resources appear to have been efficiently utilized in converting inputs into outputs in the Mekong region.

Efficiency, the most basic economic measure of success, concerns ratio of outputs to inputs. However, calculating efficiency in situations where much of the programme work is intangible is not an easy task. This is especially true for GPML's activities in the Mekong region, where much of its work involves advice, trust and relationship building, mentoring, and training. However, since direct survey of beneficiaries using mentoring scales from economics and psychology literature could not be undertaken, the focus in measuring efficiency was on tangible activities i.e. training programmes conducted by the mentor (whereas intangible outputs and outcomes get a greater attention in discussing effectiveness in next section).

As per information provided by the GPML office in Hanoi, expenditure on mentor's activities in the region was \$54,500 in 2012 and \$39,000 in 2013<sup>3</sup>. Despite the reduction in expenditure, GPML mentor managed to increase both the number and reach of these training by partnering with the institutions in beneficiary countries i.e., the beneficiary institutions in these countries made in-kind contributions towards training arrangements. This provision of complementary resources from country counterparts was one of the ways in which the programme managed to keep its costs in control.

The second step that the programme has undertaken seeks to increase the reach and effectiveness of the programme while also keeping expenditure in check. This involves creating train-the-trainers programmes. Currently, GPML trainings in the region are structured at three levels: Basic, advanced and train-the-trainers (ToT) programmes. The candidates for each higher level are chosen competitively i.e. only a certain number of the best performers in basic training get to participate in the advanced trainings and only a handful of performers from the advanced training are invited to participate in train-the-trainers programme. If ToT trainings succeed in realizing their stated goals, it would help the GPML simultaneously increase its effectiveness, efficiency and sustainability.

The third step to deal with efficiency concerns that the GPML has instituted involves attrition and selection issues: If a significant proportion of trainees leave their jobs or get promoted a short while after training, it can cause resources to be drained without making much of an impact on the ground situation. To deal with this issue, GPML has increased its involvement in selecting the right people. It has also started insisting on continuation of trainees on their positions for a certain minimum period after completion of training, which is expected to help both with ensuring that trainees actually use their newly acquired knowledge and skills, but also have a greater opportunity to pass on these skills to other staff in their offices.

Though the GPML in the region does not have a single holistic planning and monitoring results framework encompassing entire region — its various components are derived from various

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<sup>3</sup> Excluding programme support costs (PSC)

country and regional programme documents, reporting documents, including annual progress reports, show evidence of their use, although the quality of monitoring and reporting outcomes, including data collection for the purpose, could be significantly improved. In particular, the evaluation finds that the programme does not collect data on outcomes (such as use of training and mentoring), which could help with better planning, monitoring, quality assurance and risk mitigation.

## **Effectiveness**

5. To what extent has progress been made towards achieving the objectives and outcomes of the project as stated in the detailed logframe, and what are the reasons for the achievement and non-achievement of the programme objectives and outcomes?
  - *A significant progress towards achievement of stated objectives and outcomes is being made, although evidence collection itself can be significantly improved by making it a more systematic and routine affair.*

The overall objective of the GPML is reduction in opportunities and incentives for corruption and money laundering and recovery of illegally acquired assets by governments in the Mekong region. The evaluation examined the extent to which these objectives set out in the current programme documents have been achieved, including the outputs and outcomes intended to lead to the achievement of these objectives. Annex VII provides a summary comparison of planned and actual results in this regard.

The first step in achievement of objectives is to get member states in the region to adopt and implement legislation that meets international norms and standards. The stakeholder interviews suggested that the all four countries in the region have a difficult political climate to varying degrees, which has made this task rather daunting. However, increased awareness, advice and technical assistance provided by various bilateral and international organizations to member states in the region are beginning to bear fruit.

Vietnam had been put under the ICRG review process since Feb 2010 as a result of APG mutual evaluation in 2009. It decreed new legislations complying with the FATF standards. The law on anti money laundering and anti-terrorism were enacted in June 2012 and June 2013 respectively. As a result, Vietnam is no longer subject to FATF's monitoring process under its on-going global AML/CFT compliance process<sup>4</sup>. However, Vietnam has been advised to update its AML/CFT Banking Supervision Manual and to achieve full operational independence for the Financial Intelligence Unit from the State Bank.

Cambodia remains on the FATF compliance list because it still needs to comply with certain outstanding items on its ICRG action plan, including legislating a decree on freezing the terrorist assets to meet with all the ICRG requirements. Similarly, Lao PDR is still on the FATF compliance list. While it has made satisfactory progress so far, it has a long way to go before complying with its ICRG action plan. Lastly, Myanmar remains on the FATF public statement list because of the slow progress in addressing ICRG action plan, including passing necessary AML/CFT legislation.

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<sup>4</sup> Note: FATF ICRG process lists consists of (1) FATF public statement list and (2) Improving Global AML/CFT Compliance: on-going process compliance list or simply FATF compliance list. These two are often referred to as black and grey lists respectively in common parlance.

Overall, as the largest recipient of technical assistance on AML/CFT in the region (and for the longest period), Vietnam has made the most progress, followed by Cambodia, Lao and Myanmar in that order. Lao PDR and Myanmar just started receiving assistance and still need to revise their laws for meeting the FATF standards.

While this may appear to be slow progress, stakeholders attributed this to be the nature of business. A tremendous amount of work has been put in by a large number of bilateral and multilateral institutions to bring about this improved situation on ground, and all interviewed stakeholders, including APG, the primary forum for AML/CFT in the region, acknowledged the critical role of the mentor in this process. For example, the mentor coordinated technical assistance with the IMF and Asia Pacific Group, and provided inputs for the legislation in Vietnam. He worked closely with the World Bank and APG to contribute to legislation in Cambodia, as well as to the new National AML/CFT Strategy. The same is true for Lao PDR, wherein with the encouragement of mentor, government made a formal request to the World Bank for assistance in drafting AML/CFT legislation. The mentor has also supported a number of APG high level visits to Myanmar for action on drafting laws in compliance with FATF standards.

The second step in achievement of these objectives is to get member states in the region to actually use new legislation for reducing opportunities for corruption and money laundering. This requires transfer to and acquisition and use by the partner institutions in beneficiary countries of new knowledge and skills for prevention, investigation, prosecution and conviction of relevant offences. As mentioned previously, the mentor conducted 35 training events between Aug 2011 and Dec 2013. A majority of these events focused on prevention and investigation- the first link in this chain. 12 training each were organized for police and customs, 5 for prosecution and judges, 3 for multiple units and the remainder for banks and others. A total of 340 officials received training across the three Mekong countries (Vietnam, Cambodia and Lao) in 2012, and 562 officials from all four supported countries participated in these events during 2013.

Since the direct feedback on acquisition and use of training could not be collected due to time and procedural complexities (see limitations section), feedback collected after training events was used as proxy indicator for knowledge and awareness change. Feedback forms from 7 typical events were translated into English and collated for the analysis presented below.

Charts 3 to 5 present information on change in knowledge on three topics that were covered in feedback forms across selected events, viz., money-laundering, financial investigation and evidence collection. All three bar graphs highlight (self-perceived) significant increase in knowledge of trainees as a result of the training received. That said the perceived change in knowledge is only the starting point for its actual use towards achieving objectives and outcomes. To understand training's real effectiveness in translating outputs into outcomes and outcomes into objectives/impacts, we need data on use of training. However, the data on use of training was neither collected by the programme nor was it considered feasible for the evaluation team to do so. Therefore a proxy method to estimate this was adopted by following two approaches: (1) Relevant questions from training feedback were used to evaluate whether the trainees considered topics relevant to their context and whether they wanted more advanced training on those topics. It can be safely presumed that if the participants considered work relevant to their context, including national challenges, they would have an incentive to use this training. Moreover, if they found the training to be useful to their work, they would request for more advanced training to fill their knowledge gaps (2) Desk review (previous evaluation of the programme in 2010) was used to examine direct evidence on use of training. If they participants had indicated their use of

training then, once again it can be safely assumed that (in the absence of any new evidence to the contrary), they had not stopped doing so in the interim period.

Chart 3: Trainees’ self-perceived change in knowledge on money-laundering

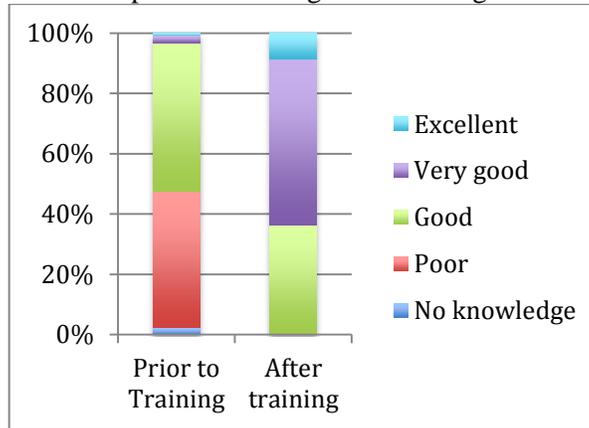
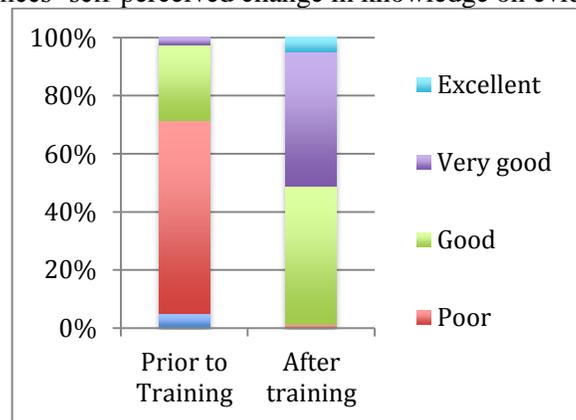


Chart 4: Trainees’ self-perceived change in knowledge on financial investigation



Chart 5: Trainees’ self-perceived change in knowledge on evidence collection



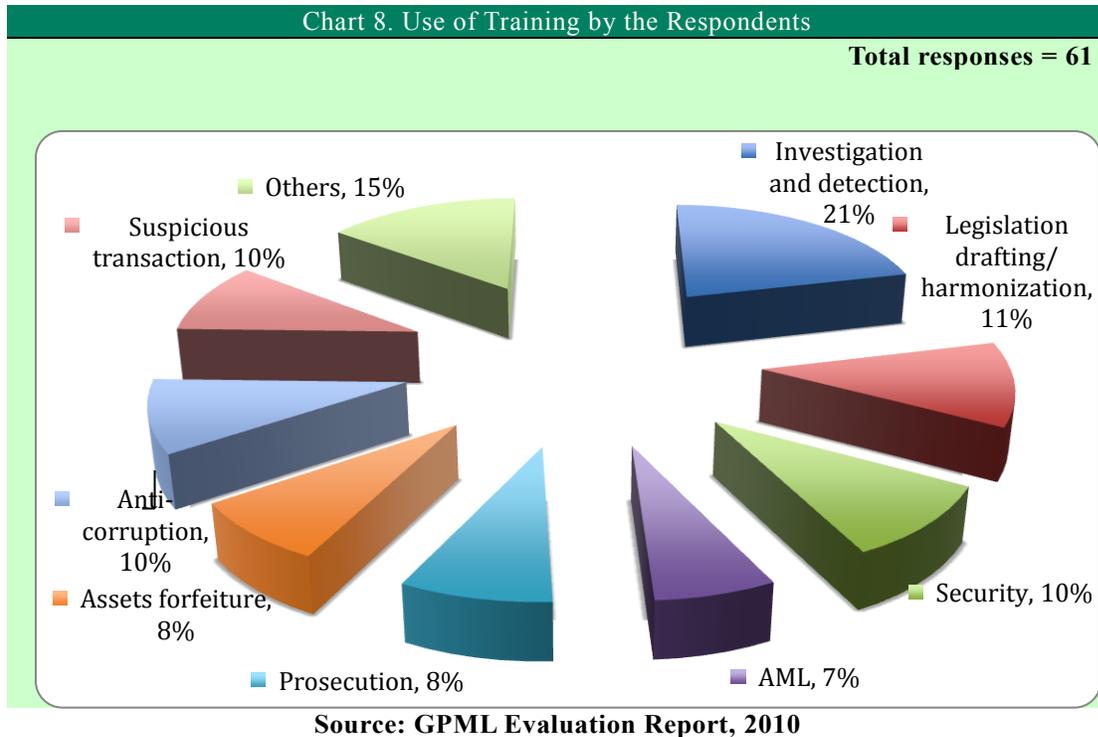
N=126, Source: Training feedback surveys

The content analysis of trainees’ responses to perceived future needs showed that it also increased their appetite for more advanced knowledge on AML/CFT issues. Please see Table 2 and Chart 6. Table 2 provides a sample of typical needs expressed by the trainees, while Chart 6 uses advanced





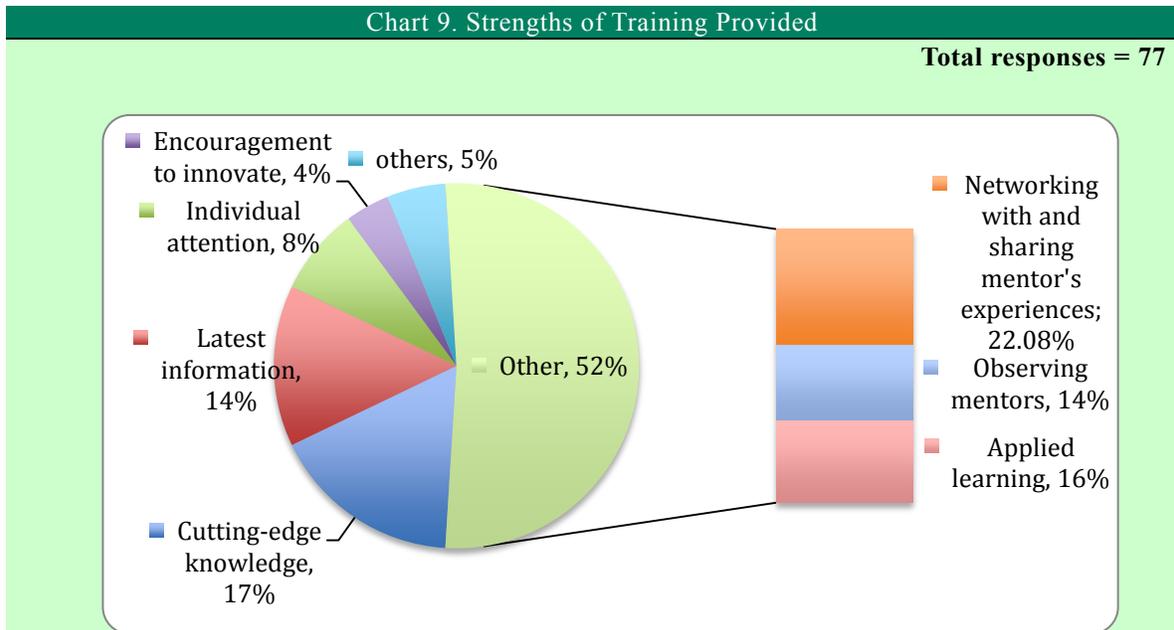
The second evidence on use of training comes from the desk review. The evaluation of GPML in 2010 had noted that, “survey respondents seem to have put their training to good use on a wide variety of tasks, especially investigation, legislation and security.” While this survey was global in nature, it included an unspecified number of respondents from the Mekong region. Charts 8 and 9 are reproduced from this evaluation report. While Chart 8 provides information on self-reported use of training, Chart 9 provides information on what the respondents considered to be the main strengths of the training. As can be easily noted from Chart 8, over half the respondents reported some aspect of mentoring as the strength of the training.



Following paragraph from page 32 of the 2010 evaluation report is worth reproducing here:

“When the respondents were asked to list the major strengths of the training provided to them, more than half cited mentors or some aspect of mentoring. The importance of the mentoring system was further underscored in the participants’ response to the question, “In comparison to other providers of technical assistance on money laundering what is unique about the GPML?” Alongside United Nations legitimacy and ability to bring various stakeholders on board, mentoring was one of the most cited reasons. In fact, in interviews with both partner organizations and beneficiaries, the mentoring system was found to be almost universally acclaimed.”

In view of all of the above facts, including continuation of mentoring to be cited a major competitive advantage for the GPML; the evaluation finds proxy indication for use of training in the Mekong region, which bodes well for achievement of stated objectives and outcomes.



## Impact

6. To what extent have the activities contributed, or are likely to contribute, to long-term impact and/or intermediate results (directly or indirectly, intended or unintended) for its beneficiaries, target groups, communities involved, and institutions related to the programme?

- *A significant progress towards achievement of stated outcomes appears to be being made, and there are early signs indicating likely achievement of long-term impacts.*

The use of mentoring and training is ultimately expected to reduce opportunities for crime, corruption and money laundering by removing opportunities to benefit from such activities. It is also expected to help the governments recover illegally acquired assets. The available evidence suggests that only small steps have been taken in this respect so far. These include increased generation of Suspicious Transactions Reports (STR). The number of STRs received by the Financial Intelligence Unit (FIU) in Vietnam increased from around 300 in 2010 to over 700 in 2013, although mentor and other interviewed stakeholders acknowledged that significant work remains to be done to improve the quality of STRs being received. Of these, about 20 cases were transferred to police for investigation, which perhaps further confirms the need to improve quality of STRs. Only two of these cases led to actual prosecution, and in both these cases police failed to find any evidence of wrongdoing and consequently no ML/FT charges were filed. According to the information collected in interviews, in one of these cases, a person was accused of stealing four trillion Vietnamese dong (approximately US \$190,000) from the banking system. While he was charged on the predicate crime, the money laundering related charges were dropped due to lack of sufficient evidence.

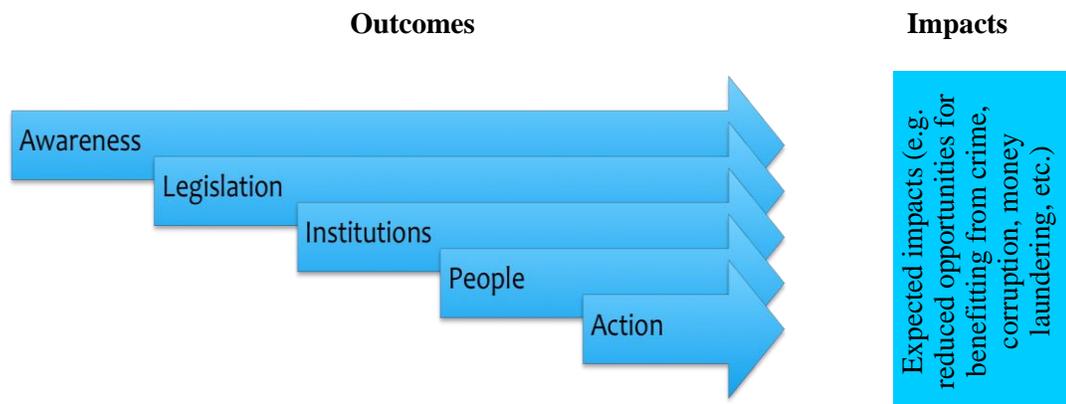
The corresponding number of STRs in Cambodia is about 100 a year. In comparison, only about 100 STRs were received in Lao over last 7 years. No prosecution on ML/FT offences was reported from these countries.

Similarly, customs department of Vietnam that has been one of the focal points for mentor's training activities has taken small steps towards enforcing cash smuggling laws. They detected 16 cases of illegal cash (counterfeit or real) transportation in 2013 as opposed to 11 in 2012. This is in addition to detecting and penalizing passengers carrying cash above legal limits. Overall, they recovered a little less than one million USD.

While these achievements do not appear to be significant, stakeholder interviews indicated that these achievements represent important early breakthroughs towards eventual impacts on ground. Most of the stakeholders, while expressing need for more support, expressed confidence in making significant progress to that end.

It is also important to bear in the mind the time period needed to realize the results chain and cascading outcomes, depicted in Chart 10 below, could be substantial. While GPML has made substantial progress in early outcomes (raising awareness among policy-makers and getting new legislation and institutions such as FIUs in place), it is still in the process of obtaining later outcomes such as building capacity of various institutions and their staff to act. As a result, the achievement of impacts is expectedly still in infancy. Stakeholders suggested that it might take another 3-5 years before substantial progress in this regard is witnessed.

Chart 10: Outcomes and Impacts: Expected results chain relationship for GPML



Overall, while the evaluation finds adequate evidence on achievement of outcomes such as enactment of legislation, increased knowledge and awareness of implementing agencies, and increased application of new knowledge by the beneficiaries, it finds only early indications on likely achievement of broader objectives viz., reduction of corruption and money-laundering in the beneficiary countries.

## ***Sustainability***

7. To what extent are the results (outcomes and impacts) generated through the activities likely to be sustained in the countries after the funding has been depleted? What are the relative contributions of various stakeholders and can beneficiaries assume responsibility for funding programme activities?

- *While some countries can (and have) partly finance GPML activities, they need mentoring and technical assistance to continue in the foreseeable future for the impacts to be sustainable.*

As stated in the section on efficiency, GPML has managed to increase the number and reach of trainings from 14 in 2012 to 20 in 2013, while simultaneously lowering the expenditure on mentor's activities in the region from US \$54,500 to \$39,000, by partnering with the beneficiary countries i.e., the beneficiary institutions in these countries have pitched in their resources to help manage the costs of trainings. The stakeholder interviews indicated that while it is plausible to expand this sharing model, it might not be feasible at this stage to completely pass on the responsibility for funding GPML activities to the beneficiary countries. However, since governments/ planning authorities in beneficiary countries were not interviewed, the evaluation cannot provide information on possibility of GPML programme activities being included in domestic/ national programmes.

An important indicator of sustainability of a programme's outcomes and impacts is the level of comfort of beneficiaries in using its outputs. The interviewees in beneficiary countries, including people who had received substantial training, still appeared to be more comfortable in investigating predicate offences than ML/FT component associated with such offences, which is an important indication of the extent to which they could sustain this without external support. The evaluation found that the beneficiaries are in infancy of use and could not sustain these outcomes and impacts without external technical support of some kind, at least for next 3-4 years.

For a programme to have a sustainable impact, its outcomes needs to be institutionalized in the routines and activities of the beneficiaries, and GPML is no exception to this general rule. There are four important considerations in this respect.

One, as FATF/APG processes, including mutual evaluation of countries, create strong incentives and disincentives for the Mekong countries, to comply with requirements of the international community, the programme outcomes (e.g. use of training) have a higher likelihood of sustainable use. This FATF pressure would remain focused on the Mekong countries, and thus it creates a favorable situation for sustainability.

Two, adoption of new legislations and creation of new institutions such as FIUs in various jurisdictions is an important step towards institutionalization of programme outcomes and impacts. Only Vietnam so far is in compliance with new legislation, others are making progress but have not reached there yet. As some countries in the region (e.g. Vietnam) become better equipped, they may even be able to take on the responsibility for assisting others in the region, just as South Africa is helping other countries in southern Africa.

Three, for GPML to have sustainable impacts, it needs enabling infrastructure in terms of human resources, information technology, networks, and support systems. Mentoring and training programmes (basic, advanced and train-the-trainers) seek to develop human resources that are needed to develop sustainability. However, most interviewees suggested that they needed greater technical assistance if they are to succeed at building a critical mass of human resources capable of dealing with the actual enforcement issues. The interviewees further suggested that for train-the-trainers programme to be successful, they would also need to build supporting infrastructure like training institutions and curricula as also provide the trainers and trainees access to tools and information system needed for regular application, which they seemed to be working on developing.

Last, sustainability also requires building networks of like-minded professionals for sharing knowledge, information, learning and experiences and building trust and relationships with colleagues working on similar issues and facing similar challenges. The beneficiaries take true ownership of programme interventions and impacts when their professional careers, personal influence and success is tied to this. Moreover, networks can help build confidence. For example, a person who had received train-the-trainer training and had (self-reportedly) done very well at the training mentioned that she did not feel confident enough of actually training others. By getting these newly trained professionals to share each other's experiences, some of these challenges could be overcome, and that is only one of the advantages in building local and regional networks of trained professionals. This practice does not appear to have been initiated so far with the exception of establishment of ARIN-AP (Asset Recovery Network in Asia Pacific).

The establishment of ARIN-AP is an important step, and mentor played a crucial role in its launch, as well in its slow but steady growth. ARIN-AP was established in November 2013 and the South Korean Prosecutors Office hosts its Secretariat, while the Government of Indonesia (Attorney General's Office) holds the first annual Presidency. Currently, it has 15 countries as either members or observers. On behalf of UNODC, the mentor currently sits on its steering group as an observer, and is currently assisting the secretariat in the arrangements for the first AGM expected to be held in late August 2014. This is an important first step in building local and regional networks that would need to be nurtured and multiplied in years ahead.

Overall, the evaluation finds that GPML has taken important initial steps towards increasing the likelihood of sustainability of its outcomes and impacts, and all stakeholders including UNODC, its partner institutions, mentor and beneficiaries appear to have made significant contributions towards this.

### ***Partnerships and cooperation***

8. To what extent has GPML effectively leveraged joint collaborations and synergies with other United Nations entities and partner organizations, and enabled more effective collaborations among targeted beneficiaries?
  - *GPML has done a satisfactory job in building and leveraging collaborations with partner organizations. The evaluation also found areas where it could be improved further.*

There are two aspects to leveraging partnerships and building synergies: The person (mentor) and the structure. While it is almost universally acknowledged, including by the Asia Pacific Group on Money Laundering (APG)- the main regional forum on AML/CFT issues, that the mentor has done an excellent job in building partnerships and 'getting things done' on the ground, the focus in this section is on the structural arrangements.

In terms of structural arrangements, key stakeholders suggested that the collaboration with partners could be strengthened in terms of planning, coordinating work, communication, leveraging each other's resources and reporting progress. The evaluation found the need for greater emphasis on collaborative planning, including on determining results framework for the programme. It also found the need for greater coordination with partner institutions, World Bank in particular, towards leveraging each other's resources. Though GPML mentorship in the region

is formally a joint programme between UNODC and the World Bank, key stakeholders suggested that the level of cooperation (“jointness”) could be significantly increased.

The reporting to stakeholders, it was emphasized, should be on the basis of outcomes (e.g. use of training) rather than activities or outputs (e.g. number of training events organized). The donors also requested for more granular financial reports, which suggested the need for developing a reporting format acceptable to all key partner organizations. Lastly, the evaluation found out that the statements prepared by FRMS are for the GPML as a whole and that it is not possible to obtain a financial breakdown for the Mekong activities only. This further highlighted the need for developing systems, tools, procedures or mechanisms that can accommodate partners’ needs for more granular information (and even programme’s own needs for better management accounting).

Overall, the evaluation finds the need for seriously addressing these administrative challenges in managing partnerships.

### ***Human rights mainstreaming***

9. To what extent have human rights principles been integrated into the delivery of technical assistance under the project, bearing in mind local circumstances?

- *GPML seeks to reduce opportunities to gain from proceeds of crime, corruption and money laundering, and as such embodies the principles of human rights by design.*

The interviews with various stakeholders suggested that GPML by its very nature integrates human rights principles in delivering of its outputs, outcomes and impacts. It does so by reducing the opportunities to gain from proceeds of crime and corruption. The interviewees also suggested that the programme considers trainees/beneficiaries background before selecting them for various training programmes, which is a more direct measure for the programme to ensure human rights principles are adhered to in the delivery of its outcomes and objectives.

### III. CONCLUSIONS

In the Mekong region, GPML is making significant strides in achieving outcomes stated in programme's logical framework (See Annex VI). The evaluation also found early indications of these outcomes contributing to achievement of long-term impacts/ objectives. This can be observed in the form of greater compliance of AML/CFT laws with FATF/ international standards (Vietnam is substantially in compliance and Cambodia is almost there), operational FIUs, a significant number of trained police, customs and prosecuting officials, and to some extent the actual initiation of investigation, seizures and prosecution of cases. While indicators such as officials greater comfort in investigating and prosecuting predicate offences rather than money laundering components associated with such offences show that the results are not yet sustainable without further external support, a significant progress in a politically difficult environment is being made nonetheless.

In view of limited time and resource availability, the findings indicate the need for the GPML to take initiative and collaborate with partner organizations to identify high-risk sectors by encouraging early completion of national risk assessments. Incidentally, none of the countries in the region have done this so yet, although some are in the process of initiating it. With the encouragement of mentor and the assistance from the World Bank, Vietnam has initiated the process in this regard. The evidence also suggest the need for improved legislation and/or enforcement of organized crime in the region given the tendency of law enforcement agencies to pursue individuals rather than crime syndicates.

From the available evidence, the evaluation concludes that the GPML's mentoring system continues to be its major competitive advantage. It is widely recognized as a key component of technical assistance towards improving AML/CFT regime in the region. Mentor's continuous availability and ongoing support are universally regarded as invaluable in building trust and relationships and promoting AML/CFT agenda in a politically volatile and difficult region. Another competitive advantage that GPML continues to enjoy pertains to technical assistance on operational and enforcement issues at which UNODC in general and GPML in particular are really good at. GPML is particularly good at providing practical assistance and tools, particularly for FIUs and law enforcement agencies.

The programme has already made considerable progress by implementing most of the recommendations made in previous evaluations (See Annex VI and VII). Only a few key recommendations relating to increased core funding and long-term strategic planning are yet to be implemented and remain areas of concern. These should be prioritized and addressed at the earliest.

In terms of strategic priorities for the sustainability of the programme itself, the GPML could benefit from increased collaboration with partner organizations. In particular, the interviewed stakeholder suggested increased collaboration on developing results framework and annual strategic priorities jointly. They also suggested the need for creating stronger institutional systems and incentives, such as inputs to performance appraisals, for collaboration. From the available

evidence, the evaluation also concludes the need for improving results and financial reporting for better responding to partners' needs and requirements. In particular, UNODC may need to look into the means to make more outcomes and granular financial information available to its key stakeholders.

Overall, the evaluation finds preliminary evidence on achievement of stated objectives and outcomes. While the evaluation finds adequate evidence on achievement of outcomes such as enactment of legislation, increased knowledge and awareness of implementing agencies, and increased application of new knowledge by the beneficiaries, it finds only early indications on achievement of broader objectives viz., reduction of corruption and money-laundering in the beneficiary countries.

## IV. RECOMMENDATIONS

Based on the findings and the conclusions drawn from them, the following specific recommendations should be considered:

Key recommendations:

- 1) Given its widespread recognition as an effective delivery solution, UNODC should continue to focus on mentoring as the main mechanism for delivering technical assistance (TA) on operational aspects of AML/ CFT system. That said, mentoring is probably a more expensive proposition than simply delivering training on a turnkey basis. Therefore, UNODC should also consider commissioning a specific study (in-house or external) to examine and demonstrate, to itself and others, a comparative cost-benefit analysis of various TA delivery mechanisms on AML/CFT.
- 2) Data collection on use of training and mentoring needs to be made more systematic and routine. Approximately 6 months after the completion of training, information should be sought from trainees on how they are using their training (knowledge and skills).
- 3) GPML should develop mechanisms for consultation with donors and partners organizations on results framework and annual strategic priorities on an on-going basis. This could be arranged formally (by forming a steering committee, for example) or informally (by having annual summits, conferences, etc.), but there is a definite need for doing so.
- 4) While ARIN-AP is a good start, GPML needs to prioritize promotion, establishment and nurturing of local and regional networks to facilitate greater interaction among direct and indirect beneficiaries to have a greater impact on AML/ CFT situation in the beneficiary countries. These networks should include AML/CFT professionals from all walks of life including politicians, investigators, businessmen, financial analysts, academics, and so on. However, different forums within the networks may be provided to various sub-groups for candid sharing of information. Lastly, UNODC needs to develop metrics for determining effectiveness and efficiency of networks to derive the maximum possible benefit out of them.
- 5) GPML's reporting to donors and other stakeholders needs to improve focus on outcomes and (lagged) impacts. Annual reports prepared by the mentor should provide more information on impacts realized from the outputs and outcomes obtained in previous years as well as expected impacts from the outputs and outcomes that are currently being planned.

Important recommendations:

- 6) In active consultation with various stakeholders, UNODC/ GPML should consider moving the mentor to a different country in the Mekong region once it is determined that Vietnam is on a sustainable path.
- 7) GPML should provide greater incentives for increased responsiveness to partners by inviting appropriate colleagues from partner organizations to provide inputs into mentor's annual performance reports. There is a precedent for this. The World Bank invited inputs from UNODC for its mentor in Central Asia, and knowledge gained from that experience should be examined and reciprocated.
- 8) The financial reports provided by the UNODC/ GPML do not meet the needs of donors, who indicated a need for more granular financial information to satisfy their own reporting requirements. With a view to fostering more collaborative atmosphere with partner organizations, UNODC/ GPML needs to work with FRMS and donors to develop financial reports that provide granular information required by the donors.
- 9) UNODC should collaborate with the World Bank and other partner organizations to undertake national risk assessments on a priority basis. While mentor has been encouraging various countries in the region to undertake risk assessments, there is a need to prioritize identification of high-risk economic sectors for immediate attention.

Other suggestions:

- 10) Several beneficiaries from various organizations mentioned that when trainees go back to their units, they often are one or one of few persons in their units with new knowledge and skills. There is a lack of 'critical mass' in their units, which limits their effectiveness. In essence, this suggests that there is a likely conflict between geographic reach and density of learning. To address this challenge, UNODC/ GPML/mentor should consider inviting participants in a manner that pays greater attention to developing critical mass at the local/unit level.
- 11) UNODC/GPML should seriously explore the option of employing distance-learning programmes, delivered over Internet using multimedia, to deliver basic training to more beneficiaries as well as to provide refresher courses to these trainees.

## V. LESSONS LEARNED

- A. While mentoring continues to be a very effective delivery mechanism for obtaining planned outcomes and impacts in complex and volatile political environments, it by its very nature is most effective in the country mentor is located at. This is because success of mentoring depends on trust and nature of relationships (and it takes a long time to build these relationships and gain trust) that mentor enjoys with his country counterparts. Thus, UNODC/ GPML should place mentors in countries that need higher attention and it should not hesitate to move mentor and incur relocation costs if the situation so demands. The relocation costs are probably more than offset by the long-term benefits this entails for the programme.
- B. The second key lesson in connection with this is that the needs of beneficiary countries continuously evolve. A country may need greater assistance with enacting legislation at one point, but may need assistance with training law enforcement or improving the systems at financial institutions at another point. The mentors should continue to be selected and relocated keeping in view these changing needs of the beneficiary countries.
- C. Train-the-trainers programmes provide an effective strategy for improving programme's impacts on ground, but they require enabling infrastructure and supportive environment to realize their full potential.
- D. To reduce attrition from training by way of people leaving their positions for promotions or otherwise and to realize full potential of trainings, trainers need to be involved in selecting right people for the programme. Trainers should ask for a list of potential participants way in advance and be actively involved in the selection process. Though this is not always in mentor's control and beneficiary organizations have their own priorities, the very fact of establishing a mechanism for early clearance can force beneficiary organizations to pay greater attention to selecting more appropriate staff for training.
- E. In the absence of critical mass of trained people in various units at the local level, it is hard to use and benefit from newly acquired knowledge and skills. In fact, new learning can atrophy very easily and quickly in these circumstances. Hence, as a matter of best practice, training programmes should pay greater attention to critical mass at the local level for various units they are supporting. An effective use of technology (e.g. multimedia content and exercises) can help mitigate some of these concerns by equipping trainees with the means to refresh their knowledge.
- F. Effective networks for sharing knowledge and experiences and building trust and relationships is the final best practice that a programme intervention like GPML should actively seek to establish and nurture. To make full use of the potential of networks, GPML should establish metrics that gather information on both their effectiveness and efficiency.

## VI. OVERALL CONCLUSION/S

GPML has a critical role to play in addressing the larger problems of drugs, crime and terror in the Mekong region, where most of the countries are either part of the infamous ‘golden triangle’ or at its very cusp. The programme enjoys the benefit of perceived neutrality associated with the United Nations system as well critical support of and partnerships with institutions such as the World Bank. The programme also possesses certain competitive advantages such as its mentoring programme and its special knowledge on operational issues pertaining to effectiveness of AML/CFT regime.

All of these advantages, as well as the programme’s success in delivering planned outcomes and objectives justify a continuation of support to the programme. However, in order to live up to its full potential, GPML will need to act on operational and administrative issues identified during this evaluation. These include but are not limited to improving strategic orientation in planning, increasing collaborative spirit in partnerships and increasing depth and quality in data collection, monitoring, evaluation and reporting.

# ANNEX I. EVALUATION TERMS OF REFERENCE

## 1. BACKGROUND AND CONTEXT

Project GLOU40 entitled *Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism* encourages anti-money laundering and countering the financing of terrorism policy development, raises public awareness about the cross-cutting aspects of money-laundering and the financing of terrorism, contributes to the strengthening of governance measures and anti-corruption policies, and acts as a centre of expertise of anti-money laundering and, jointly with the Terrorism Prevention Branch, countering the financing of terrorism related matters. The Programme is pivotal to UNODC's mandate to prevent drug offences and other crimes in that it offers specialized services and tools to help Governments deal with an important component of action against crime with a view to removing the profits of such crime and providing a disincentive for committing them.

GPML focuses on these objectives and functions as an ongoing 'rolling' project, with a biennial budget and has a drugs and a crime component. The project adds to financial integrity and transparency with a view to contributing to the development of sound economic and financial environments in UN Member States, a prerequisite for generating long-term sustainable development and investment.

The original project (GLOB79: 1996-31<sup>st</sup> March 2008) was substantively revised in 2007, when a first detailed results framework (Logical Framework) was added. For the successor project (GLOU40: 1<sup>st</sup> April – 31<sup>st</sup> March 2010) the framework was revised with the support of UNODC's Strategic Planning Unit (SPU) with a view to meeting UNODC's standards.

Since the inception of the new project GLOU40 in March 2008, GPML has undergone several project revisions, only one of which was substantive and resulted in an extended duration of the programme (1 April 2008 - 31 December 2015). In addition, the revised document refers to staffing and budget changes in connection with the Implementation Support Section (ISS) of the Organized Crime and Illicit Trafficking Branch (OCB).

The non-substantive project revisions have been predominately administrative in nature with the purpose of transferring GPML mentors (P-4 temporary posts) from UNOPS segment to UNODC Headquarters segment. The approved project budget remained the same for these project revision purposes.<sup>5</sup>

GPML's activities under this project are carried out under the Theme of Rule of Law. The project contributes to:

### Result area 1.2 - International cooperation in criminal justice matters

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<sup>5</sup> Please refer to the Project Revision documents included as part of the desk review material.

Result 1.2.2 - Strengthened capacity of Member States to establish comprehensive and effective regimes against money-laundering and the financing of terrorism in accordance with relevant General Assembly (GA) resolutions.

Result 1.2.3 - Strengthened capacity of Member States to establish comprehensive and effective regimes against money-laundering related to organized crime, drug trafficking and corruption.

In the following way:

1. By placing anti-money laundering issues in the context of combating serious crime, including drug trafficking, terrorism and corruption. This is accomplished by contributing to the strengthening of governance, financial integrity, capacity for financial intelligence gathering and enhancement of investigative and prosecutorial systems with regard to money-laundering, the proceeds of crime and the financing of terrorism in accordance with related United Nations instruments and other AML/CFT standards.
2. Building the capacity of legislative bodies, criminal justice officials, supervisory and regulatory authorities and the private sector to draft, adopt and implement laws and regulations to combat money-laundering and the financing of terrorism.

An in-depth evaluation of the Programme was conducted throughout the second half of 2010. The evaluators concluded that GPML *“has been successful in influencing the adoption of national legislation and the establishment of law enforcement institutions and procedures through its mentoring, training and information support systems.”*

The final version of the evaluation was presented during the UNODC FinGov meeting on 18 February 2011. Of the eleven recommendations made, seven were aimed at GPML and four at UNODC’s Senior Management. GPML is currently implementing the evaluation recommendations directed to the programme to the best of its ability given funding and staffing. A table of updated implementation progress will be provided to the evaluator by the GPML programme manager. GPML has no involvement in the recommendations aimed at UNODC Senior Management, all four of which were declined for action.

At a donors meeting in December 2010, where the findings of the in-depth evaluation of the Programme were presented, the representative of Switzerland expressed an interest in the work of the GPML Adviser in the Mekong region. As a follow-up, GPML prepared a multi-year funding proposal and concluded a funding agreement with Switzerland in August 2011. The initial funding agreement was from 2011 to 2013 and was later extended to September 2015. This mid-term Independent Project Evaluation covers the period August 2011 to December 2013. The GPML Adviser position is a joint UNODC - World Bank position and covers Cambodia, Lao PDR, Myanmar and Viet Nam.

The GPML Adviser works directly with the national authorities to provide AML/CFT advice, training and technical assistance to support the establishment, development and implementation of AML/CFT regimes. Specifically, he provides technical assistance, advice and support capacity building, in accordance with applicable national law, in the following areas:

- Assisting in the establishment of institutions capable of implementing the regime, including a financial intelligence unit (FIU), where appropriate;

- Supporting capacity building of the FIU, including policies and operational practices, including: relations with regulatory and law enforcement agencies, information and analysis systems, personnel training programs, and mutual legal assistance and information exchange capacity;
- Planning and coordinating AML/CFT technical assistance and training in the relevant national institutions by donor organizations and interested countries;
- Fostering contacts and, where appropriate, co-operation with regional and international AML/CFT officials and relevant international/inter-governmental bodies;
- Developing regulatory policies and procedures along with capacity building for regulators;
- Awareness-raising in government agencies, the legislature, the private sector, and the public at large, as appropriate.

The GPML Advisor also works in cooperation with the Asia-Pacific Group on Money Laundering (APG), where necessary, to ensure leveraging of resources and coordination of activities in ways that are advantageous for the South East Asian countries.

### **GPML Project Objective:**

Assist Member States to prevent and suppress illicit financial flows (IFF) from drugs and crime and to implement UN conventions and internationally accepted standards for anti-money laundering and the counter-financing of terrorism (AML/CFT).

### **Outcome 1**

Member States have available improved knowledge on illicit financial flows, money-laundering and the financing of terrorism.

**Output 1.1:** Legislative bodies, criminal justice officials, financial supervisory and regulatory authorities, law enforcement officials and FIU personnel have increased awareness of money laundering and terrorism financing issues and methods to combat them.

**Output 1.2:** GPML has researched, drafted and disseminated reports, briefing notes, speeches, publications, and studies related to IFF and AML/CFT.

**Output 1.3:** The International Money Laundering Information Network (IMoLIN), including the Anti-Money Laundering International Database (AMLID) is promoted, used and updated.

**Output 1.4:** GPML's contribution to Regional and Country Programmes and Strategies.

**Output 1.5:** Reporting to the Commission on Narcotic Drugs (CND) and the Commission on Crime Prevention and Criminal Justice (CCPCJ) is provided.

### **Outcome 2**

Member States have effective and updated AML/CFT legal frameworks, regulatory regimes and necessary law enforcement skills and practices to prevent and combat illicit financial flows from drugs and crime in accordance with international standards.

**Output 2.1:** Review and enhance AML/CFT laws, regulations, and policies to align with relevant UN Conventions and international standards.

**Output 2.2:** Assisted Member States have mandated and trained national regulatory and financial supervisory officials, judiciary and law enforcement officials, including Financial Intelligence Units personnel, to deal with AML/CFT.

### **Outcome 3**

Enhanced national-level coordination and regional/international cooperation among Member States, International Organizations, and regional bodies on AML/CFT matters.

**Output 3.1:** Creation of formal and informal networks among AML/CFT professionals.

**Output 3.2:** Expert technical advice and inputs are provided to inter-regional and international stakeholders dealing with AML/CFT matters.

**Output 3.3:** Assisted Member States have enhanced mechanisms and tools for bilateral and multilateral cooperation on AML/CFT.

**Output 3.4:** Assisted Member States have informal, regional networks for the confiscation and forfeiture of criminal proceeds.

## **2. PURPOSE OF THE EVALUATION**

The evaluation has been requested by the donor, Switzerland and is guided by the UNODC Independent Evaluation Unit (IEU) in regards to quality assurance in situ and from headquarters through the provision of guidelines, formats, assistance, advice and clearance on key deliverables during the evaluation process. IEU further ensures that the GPML evaluation conforms with the United Nations Evaluation Group (UNEG) Norms and Standards.

The request was embodied in the original funding agreement and in its subsequent amendment. Originally 2013 was mentioned as the year of the in-depth mid-term evaluation, however, this date was postponed to 2014 by mutual agreement between Switzerland and UNODC.

The evaluation is being conducted to provide accountability to the donor by determining whether the project objectives were met for the years 2011-2013 and if resources were wisely utilized, on the one hand. Another reason is also to identify areas of improvement, if needed and to clarify any problems and or challenges encountered.

The ultimate goal of the evaluation is to set priorities and goals and to suggest new strategic direction. The evaluation will distinguish between accountability and lessons learned.

The main evaluation users will be the GPML Programme Manager, the GPML AML/CFT Adviser for the Mekong Region and the Government of Switzerland. Other stakeholders, who have been partners in the implementation of the programme activities, including non-governmental organizations and private sector entities, will also be consulted as key informants during the evaluation.

### **3. SCOPE OF THE EVALUATION**

The unit of analysis of the evaluation is the programmatic response of UNODC to money laundering and the financing of terrorism, which the Organization is implementing in compliance with the relevant declarations, resolutions and decisions adopted by the UN General Assembly (GA), the UN Security Council, the Economic and Social Council (ECOSOC), the Commission on Narcotic Drugs (CND), the Commission on Crime Prevention and Criminal Justice (CCPCJ), and the Financial Action Task Force.

The evaluation will cover the activities conducted in the Mekong Region and implemented by the GPML AML/CFT Adviser under the Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML), in the period August 2011 to 31 December 2013.

### **4. EVALUATION OBJECTIVES**

This evaluation has seven main objectives:

- a) An assessment of the relevance of the GPML AML/CFT Program in the Mekong Region
- b) An assessment of the effectiveness of GPML past and current interventions in the Mekong Region
- c) An assessment of the efficiency of the approach and implementation modality to AML/CFT
- d) Assess the impact of the GPML AML/CFT Program in the Mekong Region on the sustainability of AML/CFT interventions in the region.
- e) Address the criteria of Partnerships and Human Rights Mainstreaming.
- f) Produce lessons learned and good practice from the interventions assessed
- g) Provide recommendations regarding the further development of the GPML AML/CFT on an operational and strategic level

### **5. TIMEFRAME AND DELIVERABLES**

The evaluation will begin on 24 March 2014 over a period of 10 weeks and will be carried out by one international evaluation expert. The evaluator will have the overall responsibility for the quality and timely submission of all deliverables:

- Ensure his interactions and deliverables meet quality standards as per UNODC and UNEG standards;
- Draft inception report, containing a refined work plan, methodology, refined evaluation questions (if needed), preliminary findings and draft evaluation tools; clearance by IEU needed before the field mission starts;

- Present preliminary evaluation findings and recommendations to internal and external key stakeholders;
- Draft evaluation report in line with UNODC evaluation policy, guidelines and templates<sup>6</sup>;
- Consider and include comments received from the various consultative processes (IEU, internal and external);
- Finalize evaluation report; cleared by IEU; and
- Deliver final PowerPoint presentation to stakeholders in Vienna.

Following the desk review, the evaluators will conduct telephone interviews with GPML in Vienna and the GPML Adviser based in Viet Nam. A field mission to the Mekong region is scheduled to take place as of 26 April 2014. The timeframe provided below is indicative.

Deliverables and related tasks	Lead	Start	Finish
<b>Desk Review of Relevant Documentation and M&amp;E Data and Systems Review</b>	E	24/03/2014	28/03/2014
<b>Preparation of Inception Report</b>	E	31/03/2014	04/04/2014
<b>Review of Inception Report; to be cleared by IEU</b>	IEU & GPML	07/04/2014	08/04/2014
<b>Initial Briefings and Interviews per phone with Vienna and Viet Nam</b>	E	11/04/2014	14/04/2014
<b>Field Mission to Mekong Region: Interviews</b>	E	19/04/2014	25/04/2014
<b>Draft 1 of Report</b>	E	28/04/2014	02/05/2014
<b>Follow up on comments gathered from various consultation processes, as needed to meet IEU quality standards (consultation with IEU, internal and external stakeholders) and prepare the final draft evaluation report (to be cleared by IEU)</b>	E	05/05/2014	09/05/2014
<b>Final Presentation of Findings in Vienna</b>	E	12/05/2014	14/05/2014

<sup>6</sup> All UNODC evaluation standards, guidelines, templates, etc. to be used for this evaluation are to be found on the IEU Website: <http://www.unodc.org/unodc/en/evaluation/independent-project-evaluations-step-by-step.html>

## 6. EVALUATION TEAM COMPOSITION

The mid-term evaluation will be carried out by one international Independent Evaluation Expert identified by UNODC through a competitive selection process by GPML.

The expert should have expertise in reviewing rule of law, crime prevention and criminal justice programmes, and have experience in evaluating technical assistance projects.

Costs associated with the evaluator will be borne by the programme. The expert shall act independently, in line with UNODC and UNEG Ethical Guidelines and in his individual capacity and not as a representative of any government or organization that may present a conflict of interest.

The qualifications and responsibilities for the evaluators are specified in the job description attached (Annex 1). In the selection process, a gender balance approach will be followed.

The roles and responsibilities of the evaluators include:

- Carry out the desk review;
- Develop the inception report (including sample size and sampling technique);
- Draft the inception report and finalize evaluation methodology incorporating relevant comments (clearance by IEU);
- Implement quantitative tools and analyse data;
- Triangulate data and test rival explanations;
- Present the preliminary findings to UNODC management – consider comments received from the audience;
- Draft an evaluation report in line with UNODC evaluation policy, handbook, guidelines and templates;
- Finalize the evaluation report on the basis of comments received (clearance by IEU);
- Ensure that all aspects of the terms of reference are fulfilled;
- Prepare PowerPoint presentation and present evaluation findings and recommendations in Vienna.

## 7. MANAGEMENT OF EVALUATION PROCESS

### *a) Independent Evaluation Unit*

The Independent Evaluation Unit (IEU) acts as clearing entity during the main steps of this evaluation. It endorses the TOR and takes note of the selection of the proposed Evaluator.

IEU comments on the evaluation methodology, clears the draft report for sharing with the CLPs, reviews and clears the Inception Report, comments on the Draft Evaluation Report, clears and endorses the quality of the final report, supports the process of issuing a management response, and participates in disseminating the final report to stakeholders within and outside of UNODC by publishing the final evaluation report on the IEU-Website (<http://www.unodc.org/unodc/en/evaluation/index.html>). The Project Manager ensures a participatory evaluation process by involving Core Learning Partners during key stages of the evaluation.

#### *b) Core Learning Partners*

Core Learning Partners Members of the Core Learning Partnership (CLP) are selected by the project managers (see Annex 3). Members of the CLP are selected from the key stakeholder groups, including UNODC management, mentors, beneficiaries, partner organizations and donor Member States. The CLPs are asked to comment on key steps of the evaluation and act as facilitators with respect to the dissemination and application of the results and other follow up action.

#### *c) Programme Management*

The UNODC Programme Management is responsible for the provision of desk review materials to the evaluator. GPML is responsible for the coordination in-house of the compilation of the relevant background documents, commenting on the evaluation methodology, liaise with the Core Learning Partners, commenting on the draft preliminary and final reports, and developing a follow-up plan for the evaluation recommendations in a corporate manner. GPML is also responsible for drafting a management response on the evaluation results. This is done in close cooperation with and agreement by the donor. The Programme Management Team at UNODC Headquarters will be in charge of providing logistical support to the evaluation, including arranging the field missions of the evaluator in coordination with the UNODC Field Office in Viet Nam.

## **8. PAYMENT MODALITIES**

Consultants will be issued consultancy contracts and paid in accordance with UNODC rules and regulations. Payment needs to be correlated to deliverables – three instalments are foreseen (25%, 25% and 50% of total fees).

The first payment (25% of the consultancy fee) is paid upon receipt of the Inception Report. The second payment (25% of the consultancy fee) is paid upon receipt of the Draft Evaluation Report. The third payment (50%) is paid upon clearance of the Final Evaluation Report by IEU and the receipt of the presentation in Vienna.

75% of the daily subsistence allowance and terminals is paid in advance, before travelling. The balance is paid after the travel has taken place, upon presentation of boarding passes and the completed travel claim forms. The consultant is paid in accordance with United Nations rules and procedures.

## ANNEX II. RESULTS FRAMEWORK USED FOR EVALUATION OF GLOU40

<b>Objective:</b> Opportunities and incentives for corruption reduced, illegally acquired assets recovered by governments, and money laundering reduced in the Mekong region.			
<b>Output (2009-2014)</b>	<b>Outcomes</b>	<b>Performance indicator</b>	<b>Source of data</b>
Training courses Mentoring	Legislation, policies and procedures on money laundering, assets recovery and corruption developed and implemented (Output 2.3.1 – Regional, Vietnam Output 2.2.1 and Laos Output 2.4.1)	<ul style="list-style-type: none"> <li>• Number, percentage and names of countries with legislation and policies that meet the international standards (Regional)</li> <li>• Number and names of countries receiving UNODC support- (Regional)</li> <li>• Policy advice / legal review accepted for better compliance with international standards (Vietnam)</li> <li>• Legislation and regulations on money laundering are amended in line with requirements of international conventions and other relevant instruments through technical assistance of relevant organizations. (Laos)</li> <li>• Legislation and regulations on corruption are amended in line with requirements of international conventions and other relevant instruments through technical assistance of relevant organizations (Laos)</li> </ul>	<p>Countries' Mutual Evaluation Reports, using structured qualitative assessment tool</p> <p>Relevant national government agency records</p> <p>UNODC programme/project reports</p> <p>The amended legislation and regulations on money laundering</p> <p>The amended legislation and regulations on corruption</p>
Training Mentoring Awareness raising activities	Public and private sector institutions aware of their responsibilities in relation to proceeds of	<ul style="list-style-type: none"> <li>• Number of advisories/guidance issued by FIU</li> <li>• Number of SARs reports</li> <li>• Number of awareness</li> </ul>	<p>FIU reports</p> <p>Countries' Mutual Evaluation Reports, using structured qualitative assessment tool</p>

	<p>crime, money laundering and asset recovery (Output 2.3.2 – Regional) By 2013, awareness and knowledge on money laundering and anti-corruption issues and measures raised among practitioners of the public and private sector nationwide, as compared to 2009 (Laos Output 2.4.2)</p>	<p>raising activities conducted by the FIU</p> <ul style="list-style-type: none"> <li>• Number of suspicious transaction/matter reports by sector received by FIU (by countries)</li> </ul> <p>Awareness raising activities on issues and measures on money laundering and corruption are conducted in the Government agencies, business community and civil society at large.</p>	<p>UNODC programme/project reports</p> <p>The assessment of awareness of issues and measures on money laundering and corruption in the Government agencies, business community and civil society at large</p>
<p>Training Mentoring</p>	<p>Judges, prosecutors and law enforcement officials qualified to implement money laundering and asset recovery regulations (Vietnam Output 2.2.2)</p> <p>Adequate training of law enforcement officials in money laundering and corruption cases (Laos Output 2.4.3)</p>	<p>Number, type and location of officials effectively trained, including evidence of application back in the workplace (Vietnam Output 2.2.2)</p> <p>Through technical assistance of relevant organizations, training curricula on how to investigate and prosecute money laundering or corruption cases based on current law are developed.</p> <p><input type="checkbox"/> Through technical assistance of relevant organizations, training on how to investigate and prosecute money laundering or corruption cases based on current is provided for law enforcement officials, prosecutors and judges. (Laos Output 2.4.3)</p>	<p>Government reports, including from relevant training academies</p> <p>UNODC project reports, including training evaluations</p> <p>The existence of training curricula</p> <p>The number of trainees who participated in training on investigation and prosecution of money-laundering/corruption cases</p>
<p>Training</p>	<p>Executives/ officials in priority/high risk sectors (e.g. banking) are trained and equipped to meet their obligations (Vietnam</p>	<p>Number, type and location of officials effectively trained, including evidence of application back in the workplace (M/F).</p>	<p>Government reports, including from relevant training academies</p> <ul style="list-style-type: none"> <li>• UNODC project reports, including training evaluations</li> </ul>

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	Output 2.2.3)		• Pre and post training results
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## ANNEX III. DESK REVIEW: LIST OF DOCUMENTS REVIEWED

1. UNODC Regional Programme Framework for East Asia and the Pacific, 2009-12.
2. Substantive Report by the UNODC, Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML) to Federal Department of Economic Affairs, Switzerland on Funding of AML/CFT Mentor in the Mekong Region, 2011.
3. GPML AML/CFT Mentor to Viet Nam, Cambodia and Lao PDR: 2012 Progress Report.
4. Lao PDR Country Programme Framework 2009-13.
5. GPML AML/CFT Mentor to Viet Nam, Cambodia, Lao PDR and Myanmar: 2013 Progress Report.
6. Vietnam Country Programme 2012-17.
7. Mid-term evaluation report of the Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML), 2011.
8. UNODC Attachment to the Funding Agreement: Activities Proposed to be Undertaken under UNODC Project GLOU40.
9. Asia Pacific Group (APG) Mutual Evaluation Report on Myanmar, 2008.
10. Asia Pacific Group (APG) Mutual Evaluation Report on Cambodia, 2007.
11. APG Mutual Evaluation Report on Anti-Money Laundering and Combating the Financing of Terrorism on Vietnam, 2009.
12. APG Mutual Evaluation Report on Anti-Money Laundering and Combating the Financing of Terrorism on Lao PDR, 2011.
13. Financial Action Task Force (FATF): International Standards on Combating Money Laundering and the Financing Of Terrorism & Proliferation: The FATF Recommendations, 2012.
14. **List of Training feedback surveys reviewed:**
  - a. Da Nang Financial investigation and anti-money laundering training, 2011
  - b. Hanoi Financial investigation and anti-money laundering training, 2011

- c. Ho Chi Minh City Anti corruption training, 2012
- d. Da Nang Anti corruption training, 2012
- e. Hanoi: Anti corruption training, 2012
- f. Ho Chi Minh City advanced training, 2012
- g. Hanoi Basic AML/CFT training, 2013
- h. Da Nang Cash seizures training, 2013
- i. Ho Chi Minh City Basic AML/CFT training, 2013

## ANNEX IV. EVALUATION TOOLS: QUESTIONNAIRES FOR SEMI-STRUCTURED INTERVIEWS

### *A. Questions for GPML mentors and advisors:*

1. How would you describe the setup of your cooperation with GPML staff at headquarters, other UNODC staff at headquarters and UNODC field office staff?
2. To what extent do you consider the material and support provided by GPML staff at headquarters useful to your work? How could it be improved?
3. To what extent do you consider the support provided by other UNODC staff at headquarters useful to your work? How could it be improved?
4. To what extent do you consider the support provided by UNODC field offices useful to your work? How could it be improved?
5. Do the working arrangements (contract, remuneration etc.) provide a good basis for carrying out your assignment? What should be improved?
6. To what extent do you work with staff from other organizations of the UN system?
7. Which lessons learned could be drawn from this cooperation? (What, if any, are the main difficulties in working with them?)
8. How would you characterize your cooperation with partner organizations and other providers of TA in the field of AML/CFT?
9. Which lessons learned could be drawn from this cooperation? (What, if any, are the main difficulties in working with them?)
10. How would you characterize your cooperation with country counterparts?
11. Which lessons learned could be drawn from this cooperation? (What, if any, are the main difficulties in working with them?)
12. What do you consider to be the main results you have helped make happen through your mentoring or as an advisor? (Break it down by time and country)
13. How do you keep track of outcomes that your work made happen?
14. What do you consider the main obstacles to achieving results?

15. How could those obstacles be overcome?
16. Do you see any long-term impact of GPML? Please describe.
17. What are the strengths of GPML, compared to providers of TA in the same field?
18. What are the weaknesses of GPML, compared to providers of TA in the same field?
19. In your opinion, what should be improved?
20. If you worked for UNODC before 2004, what has changed since then?

***B. Questions for UNODC field representatives:***

1. What is your role in connection with AML and CFT?
2. Do you see any interlinkages between GPML, the field and other sections of UNODC? (Which ones?)
3. How does GPML coordinate its work with the field and other sections of UNODC?
4. What type of cooperation and interaction did you have with GPML since 2004?
5. How would you characterize your cooperation with GPML?
6. Which lessons learned could be drawn from this experience?
7. What impact do you have on the level of intergovernmental bodies?
8. Do you see any impact of GPML on the level of intergovernmental bodies?
9. What do you consider to be the main results of GPML?
10. What are your contributions to these results?
11. How can these results be measured? (What is the evidence?)
12. What do you consider the main obstacles to achieving results in the field of AML/CFT?
13. How could those obstacles be overcome?
14. In your view, what are GPML's strengths and weaknesses?
15. What should be improved?

*(Specific questions related to joint output etc.)*

***C. Questions for representatives of partner organizations:***

1. What type of cooperation and interaction have you experienced between your organization and GPML and UNODC since 2004?
2. Which lessons learned could be drawn from this experience?
3. Which services or products that GPML provides are you aware of?
4. Do you know of other providers of the type of assistance GPML provides?
5. In your opinion, what makes GPML's assistance unique?/ What are GPML's strengths?/ What do you see as the main added value provided by GPML staff and mentors?
6. In your view, how could GPML improve its products and services?
7. Is GPML contributing to improved harmonization among TA providers in the field of AML/CFT? How?
8. In your opinion, has GPML effectively contributed to improved local AML/CFT capacity?
9. Would you say that GPML has effectively contributed to improving the AML/ CFT regime in the countries of the region? How and to what extent?
10. Which other factors have contributed to an improved AML/CFT regime in the countries of the region?
11. Did you or your organization participate in the typologies related APG meetings (or ESAAMLG or FATF) in the last five years?
12. Are you using GPML databases or documents for preparing APG (or ESAAMLG or FATF) relevant papers, reports and studies? How?

(Are GPML staff and mentors providing relevant input at the APG (or ESAAMLG or FATF) meetings? How?)

(To what extent have the results of the IIWG (SIP) Framework Pilot Workshop, Kuala Lumpur, 1- 4 April 2008 been used by countries? Was the role of GPML recognized?)

***D. Questions for country counterparts and beneficiaries:***

1. Which services or products that GPML provides are you aware of?
2. What type of assistance has GPML provided to your country?
  - 2.1 Has your legislature adopted AML/CFT legislation since 2004?
    - Was GPML's model legislation used?
    - Has GPML's mentor assisted in the drafting? What was the value of it?

2.2 Have officials in your country received any AML/ CFT related training since 2004?

- To what extent has GPML been involved? What was the value of GPML's training? / How have you used it?

2.3 How have GPML mentors helped you in setting up AML/CFT policies and procedures?

2.4 How has IMoLIN website, AMLID database or 'goAML' and 'goCASE' software been useful to you?

3 Overall, have you been satisfied with the assistance provided by GPML?

3.1 Has the TA been provided according to your needs?

3.2 Do you see any long term effects of the assistance provided by GPML?

3.3 In your opinion, has GPML effectively contributed to improved local AML/CFT capacity?

3.4 Has GPML contributed to making your country's AML/CFT measures more effective? (If not, why?)

4 Which other factors have contributed to an improved AML/CFT regime in your country?

5 Do you know of other providers of the type of assistance GPML provides?

6 In your opinion, what makes GPML's assistance unique?/ What are GPML's strengths?/ What do you see as the main added value provided by GPML staff and mentors?

7 How could GPML improve its services and products?

8 Did you or your organization participate in the typologies related APG meetings (or ESAAMLG or FATF) in the last five years?

9 Have you used GPML databases, training material or assistance in preparing APG (or ESAAMLG or FATF) relevant papers, reports and studies? How?

10 Have GPML mentors assisted in the preparation for Mutual Evaluations? How?

11 Are GPML staff and mentors providing relevant input at the APG (or ESAAMLG or FATF) meetings? How?

12 To what extent have the results of the IIWG (SIP) Framework Pilot Workshop, Kuala Lumpur, 1- 4 April 2008 been used by countries? Was the role of GPML recognized?

13 Has your country participated in regional or country specific SIP workshops? To what extent has GPML been involved? What was the value of that assistance? / How have you used it?

## ANNEX V. LIST OF STAKEHOLDERS INTERVIEWED

<i>Entity</i>	<i>Title</i>
<b>Donor - Switzerland</b>	Economist
<b>Donor - Switzerland</b>	Economist
<b>Donor – World Bank</b>	Financial Market Integrity, World Bank
<b>UNODC</b>	Implementation Support Section
<b>UNODC</b>	Country Office, Myanmar
<b>UNODC</b>	GPML
<b>UNODC</b>	Anti-Money Laundering Adviser
<b>UNODC</b>	AML/CFT, Mekong region
<b>Vietnam</b>	Counter Terrorism Department
<b>Vietnam</b>	Anti-Smuggling Department, Customs General
<b>Vietnam</b>	AML
<b>Vietnam</b>	AML
<b>Vietnam</b>	UK Department for International Development (DFID) Hanoi
<b>Lao PDR</b>	FIU
<b>Lao PDR</b>	UK Embassy
<b>Cambodia</b>	FIU
<b>Cambodia</b>	US Treasury - OTA
<b>APG</b>	Asia Pacific Group (APG)
<b>Myanmar</b>	FIU, Myanmar

(Names removed by Internal Evaluation Unit to preserve anonymity of responders)

## ANNEX VI. A SAMPLE OF LETTERS OF COMMENDATION FOR THE MENTOR'S WORK

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**(Translated) copy of the letter from Vietnam's customs department**

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VIETNAM CUSTOMS GENERAL  
ANTI- SMUGGLING DEPARTMENT

*Hanoi, 8 November, 2013*

No.: /ĐTCBL-P4

To:

- UNODC
- Mr. Chris Batt – Regional Advisor (AML/CFT), GPML

*Firstly, on behalf of the leaders of Customs General, we, the head of Anti-smuggling Department, Customs General, would like to send best wishes to you and your colleagues of UNODC Country Office.*

*In the last few years, especially in 2013, UNODC and you has helped us a lots in opening training courses in combating Cash smuggling.*

*During and after the training, your training contents had helped Customs officers to clearly understand the purpose and importance of the fighting against AML/CFT. The Customs Officers also had chances to learn experiences of World Customs and Customs from regional countries in fighting against Cash Smuggling. As a result, in 2013, Vietnam's Customs has seized and dealt with many cases relating to carrying cash, foreign currencies, and precious metal across the border.*

*We do hope to continue to promote those above results based on the cooperation between Vietnam Customs General and UNODC in 2013. In 2014, we do hope to continue receiving UNODC support in organizing training courses for Vietnam's Customs officers in combating cash smuggling, especially for the local Customs in the Northern Mountainous regions and Southern delta provinces.*

*Thank you for your cooperation, as well as UNODC support, we do hope to receive your feedback soon*

***Deputy Head of Department***

***Nguyễn Ngọc Tuấn***

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## Letter from Asia Pacific Group on Money Laundering (APG)

28 November 2012

Mr. Jean Pesme  
Manager, Financial Market Integrity  
Finance & private sector development VP  
The World Bank

Ms. Jennifer Bramlette  
Programme Manager  
Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML)  
United Nations Office on Drugs and Crime (UNODC)



Via email:

Dear Jennifer and Jean

### **UNODC / WORLD BANK MENTOR PARTICIPATION IN APG TYPOLOGIES WORKSHOP, VIETNAM**

I would like to thank you for the important contribution made Mr Chris Batt during the recent Asia/Pacific Group on Money Laundering (APG) Typologies and Capacity Building workshop in Vietnam. The event was attended by 241 government delegates from over 30 countries in the Asia/Pacific region.

Late in the process of planning the typologies event, the co-chair for the APG Breakout Session on Hawala withdrew and we were forced to seek an alternate breakout session chair. Chris Batt agreed to APG's request at very short notice.

Chris did an excellent job of co-chairing the Hawala Breakout Session over two days. His leadership in the delivery of the workshop, his facilitation of discussions and his contributions to various sessions across the week of APG meetings significantly added to the success of the regional workshop. We appreciated his hard work, flexibility and professional approach in his many contributions at the APG meetings.

The APG Typologies Workshop Breakout Session on Hawala was held to support the ongoing FATF typologies project, which itself is being co-chaired by the World Bank. Papers delivered in the Breakout Session were shared with the FATF Project co-chairs ahead of and during the APG's parallel workshop. The outcomes of the Breakout Session will feed directly into the FATF's global project on hawala and further expand the APG's work.

We now look forward to a very productive year in both typologies and capacity building work. This work will reflect discussions that took place in the APG Typologies workshop in Vietnam, and will play a positive and practical role in improving regional cooperation and countermeasures to combat ML and TF. We will continue to work closely with the UNODC and World Bank in these efforts.

Once again, our sincere thanks to both the UNODC and World Bank and to Chris in particular

Yours faithfully

A handwritten signature in black ink, appearing to read 'Gordon Hook', is written over a light blue horizontal line.

Gordon Hook  
Executive Secretary

Cc: Chris Batt

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## ANNEX VII. PLANNED AND ACTUAL RESULTS: AN OVERVIEW

Objective: Opportunities and incentives for corruption reduced, illegally acquired assets recovered by governments, and money laundering reduced in the Mekong region.			
Outputs (2011- 2014)	Planned outcomes	Performance indicator	Actual results
<p><b>Training courses</b></p> <p><b>Mentoring</b></p>	<p>Legislation, policies and procedures on money laundering, assets recovery and corruption developed and implemented</p>	<p>Number and names of countries receiving UNODC support with legislation and policies that meet the international standards</p>	<p>Vietnam has largely met international standards, and as a result been allowed to exit the ICRG process altogether. Cambodia is still on the FATF compliance list and has remaining action items to be addressed before it can exit the ICRG process. Lao PDR and Myanmar just started receiving assistance and need to revise their laws for meeting the FATF standards.</p>
		<p>Policy advice / legal review accepted for better compliance with international standards</p>	<p>1. The mentor coordinated technical assistance with the IMF and Asia Pacific Group, and provided inputs for the final draft of legislation in Vietnam</p> <p>2. Mentor worked closely with the World Bank, APG and contributions to the drafting legislation in Cambodia. He also contributed to new National AML/CFT Strategy</p> <p>3. With the encouragement of mentor, Lao PDR made a formal request to the World Bank for assistance in drafting</p>

	<p>AML/CFT legislation</p> <p>4. The Mentor supported a number of APG high level visits to Myanmar for action on drafting laws in compliance with FATF standards</p>
<p>Legislation and regulations on money laundering are amended in line with requirements of international conventions and other relevant instruments through technical assistance of relevant organizations.</p>	<p>1. Vietnam has already amended laws, but it still needs to update its AML/CFT Banking Supervision Manual and to achieve full operational independence for the Financial Intelligence Unit from the State Bank.</p> <p>2. Cambodia remains on the FATF Compliance Document list because it still needs to comply with certain outstanding items on its ICRG action plan, including legislating an enabling decree on freezing the terrorist assets to meet with all the ICRG requirements</p> <p>3. While Lao PDR is still working through its ICRG action plan, it was allowed by the FATF plenary to remain on the FATF compliance list because of the satisfactory progress made so far.</p> <p>4. Myanmar remains on the FATF public statement list because of the slow progress in addressing ICRG action plan, including passing necessary AML/CFT legislation</p>
<p>Legislation and regulations on anti-corruption are amended in line with requirements of international conventions and other</p>	<p>Lao PDR signed the UN Convention on Anti-Corruption in December 2003 and ratified the Convention on 30 September 2009. The National Assembly approved the Law on Anti-Corruption in</p>

		relevant instruments through technical assistance of relevant organizations (Laos)	May 2005. However, this legislation still needs to be improved and better implemented.
<b>Training</b>	Public and private sector institutions	Number of suspicious transaction reports and advisories issued by FIUs	The number of Suspicious Transactions Reports (STR) received by the Financial Intelligence Unit (FIU) in Vietnam increased from around 300 in 2010 to over 700 in 2013. Although, significant work remains to be done to improve the quality of STRs being received. The corresponding number of STRs in Cambodia has now increased to around 100 a year, and about 100 for Lao over last 7 years.
<b>Mentoring</b>	aware of their responsibilities in relation to proceeds of crime, money laundering and asset recovery (Regional Output 2.3.2)	Number of awareness raising activities conducted by the FIU	While discussion and implementation of new laws should automatically and indirectly lead to increased awareness, there is no information on awareness-raising events conducted by FIUs in the region.
<b>Awareness raising activities</b>	By 2013, awareness and knowledge on money laundering and anti-corruption issues and measures raised among practitioners of the public and private sector nationwide, as compared to 2009 (Lao Output 2.4.2)	Awareness raising activities on issues and measures on money laundering and corruption are conducted in the Government agencies, business community and civil society at large.	The mentor conducted 35 training events for police, prosecutors, judges, customs, banks and FIUs. However, no event has so far focused on business, community and society at large.
<b>Training</b>	Judges, prosecutors and law enforcement officials qualified to implement money laundering and asset recovery regulations (Vietnam Output 2.2.2)	Number, type and location of officials effectively trained, including evidence of application back in the workplace (Vietnam Output 2.2.2 and Laos	Training courses on bulk cash smuggling, money laundering and financial investigation were provided to some 340 Customs, Police and Prosecutors during 2012, and to 562 FIUs and police officers, judges and

<p>Adequate training of law enforcement officials in money laundering and corruption cases (Laos Output 2.4.3)</p>	<p>Output 2.4.3)</p>	<p>prosecutors in 2013.</p>
<p>Executives/ officials in priority/ high risk sectors (e.g. banking) are trained and equipped to meet their obligations (Vietnam Output 2.2.3)</p>	<p>Through technical assistance of relevant organizations, training curricula on how to investigate and prosecute money laundering or corruption cases based on current law are developed.</p> <p>Number, type and location of officials effectively trained, including evidence of application back in the workplace</p>	<p>While information on self-reported increase in knowledge and awareness from training feedback is available, limited information on use of training comes from desk review of survey of trainees conducted by the independent evaluators in 2010.</p> <p>National risk assessment in all 4 countries in the region is yet to be conducted. This would provide better information for identifying priority and high-risk sectors. However, interviewed stakeholders indicated casinos, insurance, non-banking financial companies, and nonprofits as some of the high-risk sector that needed priority attention. However, given general lack of capacity in other priority sectors, limited attention has yet been paid to these sectors.</p>

**ANNEX VIII. RECOMMENDATIONS FROM THE 2010  
INDEPENDENT EVALUATION AND  
IMPLEMENTATION PLAN AS APPROVED BY  
UNODC SENIOR MANAGEMENT (UPDATED  
APRIL 2013)**

RECOMMENDATION	ACTIONS	STATUS
1. UNODC's senior management should continue the programme and give it more priority, in order to make best use of its developed reputation, networks and experience, and the comparative advantage of a United Nations programme, which is perceived as a global player and as more impartial and aware of regional characteristics than other AML/CFT technical assistance providers.	<ul style="list-style-type: none"> <li>- Organize a meeting with the Executive Director of UNODC in March / April 2011 to brief the ED on AML/CFT activities of GPML and the outcomes of the independent evaluation of the programme.</li> <li>- Provide annual briefings to the ED on the activities and priorities of GPML and progress against the programme's strategic plan.</li> <li>- Chair meeting of GPML Donors to present the 5-year strategic plan of GPML.</li> </ul>	<p>Completed</p> <p>Planned for Q1 2012 -- not yet scheduled</p> <p>Planned for December 2011 -- Briefing provided to donors on 9 December 2011. Document shared in-house and is regularly given out to persons interested in GPML. No comments received from either donors or UNODC senior management.</p>
2. UNODC's senior management should consider the cross cutting nature of AML/CFT and the limitations resulting from the positioning of GPML under one of the convention related branches, and take steps to ensure its organizational visibility and its ability to provide assistance to other conventions and effective centralized quality control of AML/CFT related UNODC projects.	<ul style="list-style-type: none"> <li>- Creation of a separate Anti Money Laundering Unit (AMLU) within OCB/ISS –</li> </ul>	<p>Recommendation not accepted. Senior Management opted to keep GPML as a sub-unit within DTA/OCB/ISS. GPML also remains headed by a P-4 staff member, which sometimes prevents it from "being at the table" when funding, budget, staffing, and organizational decisions are made.</p>
3. GPML should prepare a long-term strategic plan for the period 2011-2015, in coordination with senior management and in consultation with relevant UNODC sections at headquarters and in the	<ul style="list-style-type: none"> <li>- Hire a consultant specializing in developing strategic plan to work with GPML staff to develop the 4 year plan. Planning process to include:</li> </ul>	<p>Consultant was not engaged due to lack of funds. Instead, the "Future Directions and Strategic Planning" document was prepared in-house by GPML</p>

<p>field. Human and financial resources needed to implement the plan, as well as future modalities of key stakeholder involvement, should be clarified. The strategic plan, once agreed, should be consulted with Donors.</p>	<ul style="list-style-type: none"> <li>-Brainstorming sessions among GPML team (Headquarters and Mentors) facilitated by specialist consultant;</li> <li>-Drafting of the 4-year strategic plan (2012-2015) aligned to the UNODC Strategy for 2012-2015;</li> <li>-Circulation of the draft plan among concerned parties;</li> <li>-Finalization and approval of the plan by UNODC management.</li> </ul> <p>-Present the GPML strategic plan to the Donors and seek multi-year funding support for implementation of the plan.</p>	<p>staff.</p> <p>Future Directions document presented to donors on 9 December 2011 and shared in-house. No comments were received from either Donors or UNODC Senior Management.</p>
<p>4. GPML should sustain and intensify the ‘Mentor Programme’, with mentors or long-term consultants servicing several countries in a region, while ensuring that the number of countries covered by each mentor or long-term consultant allows for longer periods of time in each country, and for a focus on countries where law enforcement is the priority. The detailed planning should be based on the long-term strategic plan and should include provisions for headquarters’ quality control.</p>	<ul style="list-style-type: none"> <li>- Include the GPML mentoring programme as a core element of the 4-year strategic plan.</li> <li>- Develop a detailed work plan for each mentor, including logical framework with baseline information and results-based performance indicators.</li> <li>- Establish communication mechanisms with recipient countries to ensure ongoing political / government support and commitment to the capacity building undertaken by GPML mentors and the adequacy and timeliness of the technical assistance and</li> </ul>	<p>The Mentor Programme is a core element of GPML’s Future Directions. Prioritization for further staffing requests additional Mentor and regional AML Advisor posts. Two additional Mentor posts (S. Africa and E. Africa) were staffed effective mid-2012, though 2 posts (joint UNODC/WB Mentor and Programme Assistant for Central Asia) were lost due to lack of funding.</p> <p>Mentors are, since early 2012, required to submit quarterly costed workplans and projections for future work to help with planning, budgeting, strategizing, and ensuring comprehensive managed delivery of AML capacity building in AORs. Workplan and logframe developed for Mekong mentor post. Similar framework to be developed for other mentor posts.</p> <p>In 2012 - GPML will communicate more regularly</p>

	<p>training provided by mentors.</p> <p>Undertake annual review of the effectiveness of the mentor programme measured against the GPML strategic plan.</p>	<p>with each country via the Permanent Missions in Vienna. This process has already commenced.</p> <p>Communication being executed via face-to face meetings in margins of FSRB meetings</p> <p>Review planned for Spring-2013</p>
<p>5. UNODC's senior management should aim at a sufficient long-term core funding for GPML, if possible from the regular budget of the organization, in order to ensure the sustainability of the programme and its ability to adequately manage the global aspects of AML/CFT, as well as ensure coordination, quality control and consistency for UNODC's AML/CFT activities in the field. To the extent that funds can be provided from the regular budget of the United Nations, this should be included in the budget proposals for 2012-2013.</p>	<p>-Additional regular budget position requested for GPML for 2012-2013 biennium</p>	<p>One additional regular budget post requested. Request denied by UN Head Quarters.</p> <p>Due to a UN-wide cut to the regular budget for the 2014-2015 biennium, the one existing regular budget position in GPML is due to be abolished effective end-August 2013.</p>
<p>6. GPML and UNODC field offices should continue to focus on increased and more formalized communication to ensure regional integrated programming, as well as quality control and consistency of all AML/CFT related UNODC projects. Regional advisors for AML/CFT, jointly funded by GPML and Regional Offices, should support coordination and programming, while GPML mentors should continue to focus on in-depth AML/CFT capacity building in selected countries. Clear and effective reporting structures need to be set up between mentors and UNODC offices in the field and GPML headquarters, ensuring that field representatives are kept informed and GPML can carry out its oversight function.</p>	<p>- GPML representatives will continue to participate as members of the UNODC Regional Programme Task Forces coordinated by the Integrated Programme and Oversight Branch (IPB) to ensure effective integration and coordination of national and regional integrated programmes and GPML initiatives</p> <p>-IPB to communicate to regional offices and country offices that all pipeline projects/ country or regional programmes with an AML/CFT components should be reviewed by GPML before finalization to ensure quality and consistency of proposed activities and coordination between GPML and the field offices.</p>	<p>Representatives from GPML now participate in Regional programme Task Team meetings and provide input to ensure effective coordination between GPML and respective regional programmes.</p> <p>IPB for action. GPML communicates with UNODC regional offices and country offices to encourage joint drafting of proposed AML/CFT initiatives from the regions. However, some regional/country AML-related programmes, proposals and projects are developed without technical oversight from GPML. AML issues in general, as well as GPML's input on AML, need to be better reflected in regional and country programmes. Chief</p>

<p>- GPML mentors, as technical experts in the field, will deliver technical assistance, training and coaching to relevant national agencies targeted member states.</p> <p>-In addition to the ongoing reporting to the respective UNODC country/regional representative (with GPML as second reporting officer), GPML mentors will continue to report on a monthly basis to relevant UNODC regional representative or country representative, as appropriate.</p> <p>-GPML will, in collaboration with key UNODC regional offices, develop proposals for deployment of regional advisers on AML/CFT jointly funded by GPML and the relevant regional office. The regional coordinators on AML/CFT will coordinate regional AML activities, assist with regional AML/CFT programme development and delivery.</p> <p>- IPB and GPML will act to ensure that GPML mentors are not tasked with financial and administrative responsibilities within a Field Office, which are outside the terms of reference of the mentor and which impede the mentors</p>	<p>of ISS to discuss with Chief of IPB.</p> <p>GPML Mentors deliver comprehensive, high-quality technical assistance, training, and mentoring to a range of practitioners in the fields of AML/CFT. Their work is lauded and they are viewed as valuable assets.</p> <p>Monthly reports are submitted by GPML mentors to GPML and Regional/Country Offices. Per UNODC rules/regulations, GPML Mentors assigned to field offices report to the Regional Representatives as the first reporting officer, and to the Head of GPML as the second reporting officer. This has proven a difficult arrangement in some cases, as GPML hires/pays for the Mentors, creates the workplan for the Mentors, and provides all substantive guidance to the work of the Mentors, yet the Regional Representative has operational and administrative control . GPML is working with each office where Mentors are placed to maintain and/or improve reporting structures, cooperation, coordination, and understanding.</p> <p>GPML is reliant on extra-budgetary funds. While GPML has listed “New Regional Advisors” as a staffing priority in its “Future Directions” document, at this time, GPML does not have funding available to fund such positions in the field – not even in a cost-shared</p>
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	duties of delivering AML/CFT technical assistance to member states.	arrangement.  GPML has made best endeavours to minimize the diversion of AML/CFT mentors to administrative and other tasks outside the mentor's ToR, yet some Regional Offices continue to view GPML Mentors as local assets and have asked them to work outside their GPML workplans and TORs. This issue is being coordinated between the Chiefs of ISS and IPB, and between GPML and the Regional Offices as possible.
7. UNODC's senior management should designate GPML as a formal point of contact for partner entities like World Bank and IMF, for all AML/CFT related matters, including corruption, asset recovery and terrorism prevention, in order to ensure that GPML is informed about and able to contribute to initiatives relevant to AML/CFT.	<p>-Issuance of an internal note informing / confirming that GPML is a UNODC focal point for external contacts, in particular with the World Bank, IMF and FATF, on operational aspects of AML/CFT in close coordination and cooperation with TPB and CEB.</p> <p>- GPML to convene a meeting with CEB and TPB to discuss the drafting of the note and the respective responsibilities of each branches/Sections dealing with these related issues.</p>	<p>No action from senior management. GPML remains the main focal point for FATEF, FSRB, WB, IMF on operational aspects of AML/CFT.</p> <p>CEB remains the clearly mandated lead for corruption issues and asset recovery and is the UNODC focal point for the StAR programme; TPB remains the focal point for CFT.</p> <p>GPML and TPB share the mandate for the counter-financing of terrorism. An informal letter of agreement with TPB states that TPB has the lead for legal technical assistance matters and GPML the lead for operational / law enforcement technical assistance matters.</p> <p>GPML networks regularly with the IMF, World Bank, FATF and other bodies dealing with AML/CFT and is known as the unit for AML work. GPML actively promotes its work in countering cash couriers and</p>

		<p>cash smuggling, and also asset forfeiture/asset confiscation.</p>
<p>8. GPML should put more focus on promoting its various valuable products, like tools, publications, the IMoLIN website and AMLID database, as well as its AML/CFT Computer Based Training, and should continue to jointly promote the goAML software for Financial Intelligence Units developed by UNODC's Information Technology Service.</p>	<ul style="list-style-type: none"> <li>- Issuance of an IMoLIN / AMLID Newsletter twice a year highlighting additional information, reports, analysis completed during the past six months and other relevant information.</li> <li>- Develop a GPML brochure or pamphlets outlining the products, tools, publications, computer-based training and services available to member states through GPML.</li> <li>- Arrange for wide dissemination of GPML brochure / pamphlets.</li> <li>- Deliver awareness raising presentations on GPML's role, products and tools as opportunities present.</li> <li>- Distribute goAML and goCase brochures to focal points in relevant member states and present on both ITS products in appropriate bilateral and multilateral meetings and at relevant training events delivered by GPML staff.</li> <li>- Participate as observer in Steering Committee GLOT29</li> </ul>	<p>Completed. IMoLIN newsletter issued biannually. Successes also captured in bi-annual and semi-annual reports and in annual Crime Congress and Drug Congress reports.</p> <p>GPML Fact Sheets, folder and poster designed and printed.</p> <p>Distribution arranged via mail-out, electronic distribution, had-outs at UNODC events</p> <p>Sessions are being delivered on an ongoing basis. E.g.: Presentation made to Asian Development Bank in margins of a GPML training event in the Philippines</p> <p>GPML staff continue to distribute goAML and goCase brochures and promote use of the products at every opportunity</p> <p>GPML AML/CFT Adviser has participated in the past as an observer to the Steering Group meetings, but did not receive notification of such meetings for 2012.</p>
<p>9. GPML should use its strategic plan for the period 2011-2015 as the basis for acquiring and recording results data more systematically. It should ensure that all relevant information, particularly on outcome level results related to its activities, is readily available for coordination, oversight and knowledge management. This information should also include a</p>	<ul style="list-style-type: none"> <li>- GPML staff to design and develop mechanisms for collection of results data, which captures outcome level results of GPML activities.</li> <li>- Development of an internal GPML database with one responsible officers, which will capture results data and</li> </ul>	<p>GPML have conceptualized mechanisms for collection of results. Full development is subject to extra-budgetary funding</p> <p>No action to date. This item requires extra-budgetary funding</p>

<p>database of all counterparts/beneficiaries and partners, and mentoring related lessons learned.</p>	<p>provide for analysis of the data. The database will also be include the list and contacts of international and regional organizations, focal points in relevant member states, list of participants to training events, training assessment and evaluation data and significant achievements / impacts of the GPML mentors.</p>	
<p>10. GPML should continue to proactively seek to improve coordination among technical assistance providers through measures like newsletters, bilateral meetings and joint activities and, in addition, through a more formalized cooperation with partner organizations and lobbying for the institutionalization of meetings for technical assistance providers and beneficiary FIUs in order to coordinate, harmonize and finalize their assistance plans in the margins of FATF, Egmont Group and FSRB meetings.</p>	<ul style="list-style-type: none"> <li>- Continue issuance of the monthly Central Asia AML/CFT Newsletter.</li> <li>- Issuance of a six-monthly GPML Newsletter in West Africa, Southern Africa and the Mekong Region.</li> <li>- If supported by other technical assistance providers, to act as chairperson or take lead role in technical assistance coordination meetings in the margins of all FSRBs where GPML is an active observer (APG, ESAAMLG, GIABA, EAG).</li> <li>- Communicate with other providers of AML/CFT technical assistance and plan joint training activities where appropriate and feasible.</li> </ul>	<p>Newsletter continues to be issued until the end of 2012. Its continuance will be reconsidered for 2013 and is resource dependent.</p> <p>Newsletter issued for West Africa. Issuance of newsletters for Southern Africa and Mekong Region remains outstanding</p> <p>GPML plays a lead role in TA&amp;T coordination in West Africa, Eastern Africa and the Asia Pacific Regions. Mentor in the Mekong Regions coordinates TA&amp;T issues among Donors and providers. GPML has not chaired or taken the lead role, however.</p> <p>GPML is in regular consultation with other international organizations and bilateral providers of AML/CFT TA&amp;T. GPML with CTED and the CTITF Working Groups, as well as with external partners such as the WCO, the WB, the IMF, the OSCE, and the agencies of Donor States, such as the US Department of Treasury and the US Department of Homeland Security in the planning and delivery of training as possible.</p>
<p>11. GPML should identify centers of excellence and best practice examples in all regions and use its</p>	<ul style="list-style-type: none"> <li>- Review and document “good practices” within GPML in all regions and</li> </ul>	<p>UN CTED already publishes a list of best practices, to which GPML contributed.</p>

<p>‘prosecutor placement programme’ as a model for fostering learning and networking between various law enforcement agencies, including Financial Intelligence Units, of different countries and regions and for improving cross—border cooperation.</p>	<p>identify those good practices that could be adapted/replicated in other countries or regions.</p>	<p>Further work to be undertaken by GPML under this action item. The Revised FATF Standards stand as the international benchmark for best practice and required actions.</p>
	<ul style="list-style-type: none"> <li>- Specifically examine the feasibility of the highly regarded Prosecutors Placement Programme in Southern Africa being replicated in West Africa and the Mekong Region</li> </ul>	<p>GPML is attempting to expand its Prosecutor Placement Programme and is looking for suitable hosts for the programme. Further work to be undertaken by GPML under this action item.</p>
	<ul style="list-style-type: none"> <li>- Examine the feasibility of creating a CARIN-Style regional body for West Africa (suggestion by the French Presidency of G8 on the cocaine roads).</li> </ul>	<p>The Government of France provided funding in mid-2012 to undertake a feasibility study. TORs for the consultants are and work should be underway by Dec 2012. GPML is working with the Government of the United States and the EU on the creation of an ARINWA network upon completion of the study.</p>
	<ul style="list-style-type: none"> <li>- Review the Cash-couriers programme being piloted in Asia and determine if it can be rolled-out to other regions where GPML is delivering technical assistance.</li> </ul>	<p>Review conducted from December 2011 – March 2012 and report sent to the donor. The programme received very favorable review.</p>

## ANNEX IX. SUMMARY OF RECOMMENDATIONS MADE BY 2004 EVALUATION

### **Recommendations (summary)**

- GPML must develop a strategic plan that provides guidance to the Global Programme against Money-Laundering, address the long-term global priorities, secure longer term funding as well as reduce frequency of ad hoc decisions.
- UNODC should increase the GPML core funding to allow for more stable funding and longer term planning. An increase in core funding would create more security for staff, enable the GPML to plan and commit to a truly global programme.
- The structure and configuration of GPML and AMLU should be enhanced by providing core funding and hence allowing for 5 staff to be located in field offices, 10 mentors to be strategically deployed in the regions and a core staff of 5 to be located at headquarters to support regional coordinators and plan global activities.
- GPML should expand the mentor initiative and link this initiative to country and regional activities by developing a strategic plan and comprehensive global programmes that enable the donors to fund the whole package (mentors and activities).
- The current GPML activities need to be continued and consolidated by developing a strategic Global Programme against Money-Laundering. The GPML provides support to countries through its activities.
- GPML must reach out and develop or enhance joint initiatives and partnerships as well as coordinate with other United Nations entities and other international institutions involved in anti-money-laundering activities. Synergies must be built between the various United Nations entities, other international institutions and GPML in order to create greater impact.
- UNODC should evaluate the quality and cost of services being provided by UNOPS. Further, there should be an evaluation of personnel practices, timely responsiveness and quality of support of the United Nations Office at Vienna personnel function to determine why managers choose UNOPS given some of the problems experienced.
- Locate GPML staff in regional/field offices to ensure joint and full participation in AML activities by field offices and AMLU. Locations of GPML staff in field offices will improve communication and help with a better flow of information.

### **Issues for the future**

- Existing cooperation between the Global Programme and the Egmont Group of Financial Intelligence Units should be enhanced, in particular in the context of the training working group, to support the sustainability of country FIUs;
- Global accomplishments under the Programme need to be better publicized;
- The Global Programme needs to be more multidisciplinary, balancing inputs from the financial sector, FIUs, law enforcement, prosecutors and the judiciary;
- The Global Programme should cooperate with evaluation teams for other organizations working to counter money laundering, such as the Financial Action Task Force against Money Laundering (FATF) and the World Bank.

## ANNEX X. SHORT BIOGRAPHY OF THE EXTERNAL EVALUATOR

Punit Arora (PhD, Syracuse University) is a partner-director at the Associates for International Management Services, and a professor of strategic management at the City University of New York. He has over 15 years of experience in strategic positions with governmental, business and international organizations. Most recently, he has advised the Swedish International Development Agency, United Nations and its specialized agencies, and other international organizations like the African Economic Research Consortium, ASEAN Corporate Social Responsibility Network, New Economic Partnership for Africa's Development, Tanzanian National Commission for Science & Technology, START, TWAS, OWSDW, and International Council for Science on results-based strategic planning and outcome evaluation. He has also advised several business organizations on strategy, business process reengineering, corporate governance, and innovation and change management.