



ARINSA

ASSET RECOVERY
INTER-AGENCY NETWORK
SOUTHERN AFRICA

ANNUAL REPORT 2015



UNODC

United Nations Office on Drugs and Crime

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INTER-AGENCY
NETWORK
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List of Abbreviations

ACC – Anti-Corruption Commission

ADSU – Anti-Drugs and Smuggling unit

AFU – Asset Forfeiture Unit

AFF – Asset Forfeiture Fund

AM – Asset Management

AML – Anti-Money Laundering

ARIN-AP - Asset Recovery Interagency Network – Asia Pacific

ARIN-EA – Asset Recovery Interagency Network – East Africa

ARINSA – Asset Recovery Inter-Agency Network for Southern Africa

ARIN-WA – Asset Recovery Inter-Agency Network – West Africa

BURS – Botswana Unified Revenue Services

CARIN – Camden Asset Recovery Inter-Agency Network

CCID – Central Crime Investigation Division

CTF – Counter Terrorism Financing

DCEC – Directorate on Corruption and Economic Crime

DCEO – Directorate on Corruption & Economic Offences

DEC – Drug Enforcement Commission

DFID – Department for International Development

FATF – Financial Action Task Force

FIC – Financial Intelligence Centre

FIU – Financial Intelligence Unit

GAFISUD – Grupo de Accion Financiera de Sudamerica

GFI – Global Financial Integrity

GPML – Global Program against Money Laundering, Proceeds of Crime and the Financing of Terrorism

ICAC – Independent Commission against Corruption

INL – Bureau of International Narcotics and Law Enforcement Affairs

LMPS – Lesotho Mounted Police Service

LRA – Lesotho Revenue Authority

MRA – Mauritian Revenue Authority

NDPP – National Director of Public Prosecutions

NPA – National Prosecuting Authority

RRAG – Rede de Recuperacion de Activos de Grupo de Accion Financiera de Sudamerica (GAFISUD) in South and Central America.

SADC – Southern African Development Community

SRA – Swazi Revenue Authority

UNCAC – United Nations Convention against Corruption

UNODC – United Nations Office on Drugs and Crime

UNTOC – United Nations Convention against Transnational Organized Crime

WLFC – Wild Life and Forestry Crime

DCEC – Directorate on Corruption and Economic Crime

BURS – Botswana Unified Revenue Services

ZPA – Zambia Prosecuting Authority

ZRA – Zambia Revenue Authority

Executive Summary

In 2015 the United Nations Office on Drugs and Crime (UNODC) through the Asset Recovery Inter-Agency Network for Southern Africa (ARINSA) continued to support international efforts to combat money laundering. ARINSA provided technical support to Member States.

In summary these efforts have included:

- An international conference on “Taking the Proceeds from Wildlife and Forest Crime (WLFC)” which was held in Bangkok in January 2015
- The upgrade of the ARINSA website to incorporate an e-Learning platform.
- Show-casing the work of ARINSA at a side event of the 12th Global Programme on Anti-Corruption, Financial Crime and Asset Recovery in Vienna in July 2015.
- **Regional training and workshops were conducted for investigators, prosecutors, magistrates and judges** including receiving training on basic forensic accounting, adjudication of money laundering, cash courier, and financial investigation.
- The Mentorship Programme, which saw 9 mentors being placed in the region.
- **National trainings/ workshops:** A total of 1,221 police, investigators, prosecutors, magistrates, judges financial intelligence analysts, and compliance staff in banking institutions. The topics included asset tracing and forfeiture, financial investigation, money laundering, financial investigations, asset forfeiture, financial intelligence, financial interviews, addressing the proceeds and instrumentalities of predicate offences, the application of anti-corruption and current Anti- Money Laundering (AML) legislation to address proceeds in corruption cases, identifying and handling of suspicious cash, and concepts and points to prove and income and expenditure, and net worth analysis.
- The Prosecutor Placement Programme (PPP) which continued in South Africa.

The progress in the region is measurable. The effect of this training and mentorship has been a significant improvement in practises, systems, policies and procedures in dealing with cases of money laundering and proceeds of crime. The number of confiscations has risen accordingly.

1. Money laundering: The problem

Introduction

A recent study by the Global Financial Integrity (GFI) entitled ‘Illicit Financial Flows from Developing Countries: 2004-2013’ conservatively estimated that US\$1.1 trillion left developing countries in illicit financial outflows. Sub-Saharan African countries experienced the bulk of illicit financial outflows.

Southern Africa as part of Sub-Saharan Africa is not immune to illicit financial flows and measures are being put in place to address the problem. Transnational organized crime across Southern Africa continued to increase in recent years. Illicit trade in the Southern African Development Community (SADC) region includes a range of items such as illicit drugs and precursor chemicals, small arms and light weapons, wildlife and natural resources, tobacco products and fraudulent medicines, as well as trafficking in persons and smuggling of migrants.

Challenges in the region

Illicit trafficking is among the most challenging forms of crime in the region. It is an integral part of the organised crime chain, both facilitating the spread of illicit contraband and generating considerable profits for those involved. Transnational organised crime groups take advantage of the long and porous borders, the ease of cross-border trade, the diversity of individual countries' legislations, and the lack of information-sharing and cooperation among law enforcement agencies in the region. The proceeds from crime eventually have to be integrated into the international financial system in order for the illegal networks to conduct their operations. The latter has been evidenced by an increase in cash smuggling cases in Southern Africa.

The criminal justice systems of most jurisdictions in the SADC region are generally weak in the face of challenges posed by organised crime, and in particular, financial crimes and money-laundering. Law enforcement agents regularly focus on confiscating physical objects such as bags of money, drugs, rhino horn etc., rather than tracking and seizing the proceeds of crime from the criminal networks.

Effective law enforcement requires tracking, confiscating and seizing the proceeds of crime in so doing making it more difficult to launder the proceeds of crime.

2. United Nations Office on Drugs and Crime Mandates

The Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML)

The Global Programme against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML) contributes to anti-money laundering and countering the financing of terrorism policy development, raises awareness, contributes to strengthening of governance measures and is the centre of excellence for anti-money laundering. The programme is at the centre of UNODC's mandate to prevent drug offences and other crimes.

The United Nations Office on Drugs and Crime (UNODC) through its GPML programme, is providing technical assistance to SADC member states to address the problem of money laundering guided by the international instruments namely; three (3) Drug Control

Conventions (Convention on Psychotropic Substances (1971), United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988), Single Convention on Narcotic Drugs (1961)), the Convention Against Transnational Organized Crime (UNTOC) and the Convention against Corruption (UNCAC), as well as the International Convention for the Suppression of the Financing of Terrorism. It has also supported the adoption of global standards developed by the Financial Action Task Force (FATF), the major standard-setter in the field of Anti-Money Laundering (AML).

3. Money laundering: Asset Recovery Inter-Agency for Southern Africa (ARINSA) Response

The regional response to the global problem of money laundering has been the creation of the Asset Recovery Inter-Agency Network for Southern Africa (ARINSA) with the support of the UNODC's GPML programme.

In March 2009, UNODC assisted asset recovery practitioners from ten Southern African countries to gather together and establish the ARINSA network based on the Camden Asset Recovery Inter-Agency Network (CARIN) model in Europe.

Similar to CARIN, ARINSA is an informal network of contacts and a cooperative group in all aspects of tackling the proceeds of crime. The aim of ARINSA is to increase the effectiveness of members' efforts, on a multi-agency basis, in depriving criminals of their illicit profits.

The ARINSA network brings together investigators, prosecutors, senior practitioners, judges, magistrates, law enforcement authorities and other professionals in anti-money laundering from other networks all around the world.

3.1 ARINSA's Objectives

ARINSA shares the following objectives towards achieving its aim:

1. Focus on the proceeds and instrumentalities of all crimes, within the scope of international obligations;
2. Establish itself as a Centre of Excellence on all aspects of tackling the instrumentalities and proceeds of crime;
3. Promote the exchange of information and good practice;
4. Establish a network of contact points;
5. Facilitate and promote, the establishment, where possible, of national centres of excellence in all aspects of tackling the proceeds of crime;

6. Make recommendations to other bodies such as the Eastern and Southern African Anti-Money Laundering Group (ESAAMLG) and SADC, relating to all aspects of tackling the proceeds of crime;
7. Act as an advisory group to appropriate authorities;
8. Facilitate, where possible, training in all aspects of tackling the proceeds of crime; recognise the importance of cooperation with the private sector in achieving its aim.

3.2 ARINSA partners

ARINSA has partner networks that are spread across the globe as illustrated in the diagram below.

- ARIN-AP – Asset Recovery Interagency Network – Asia Pacific
- ARIN-EA – Asset Recovery Interagency Network – East Africa
- ARIN-WA – Asset Recovery Inter-Agency Network – West Africa
- CARIN – Camden Asset Recovery Inter-Agency Network
- RRAG – Rede de Recuperacion de Activos de Grupo de Accion Financiera de Sudamerica (GAFISUD) in South and Central America.

3.3 ARINSA donors

In 2015, funding for the ARINSA programme included contributions from the Department for International Development (DFID) in the United Kingdom (UK) and the Bureau of International Narcotics and Law Enforcement Affairs (INL) at the United States Department of State.

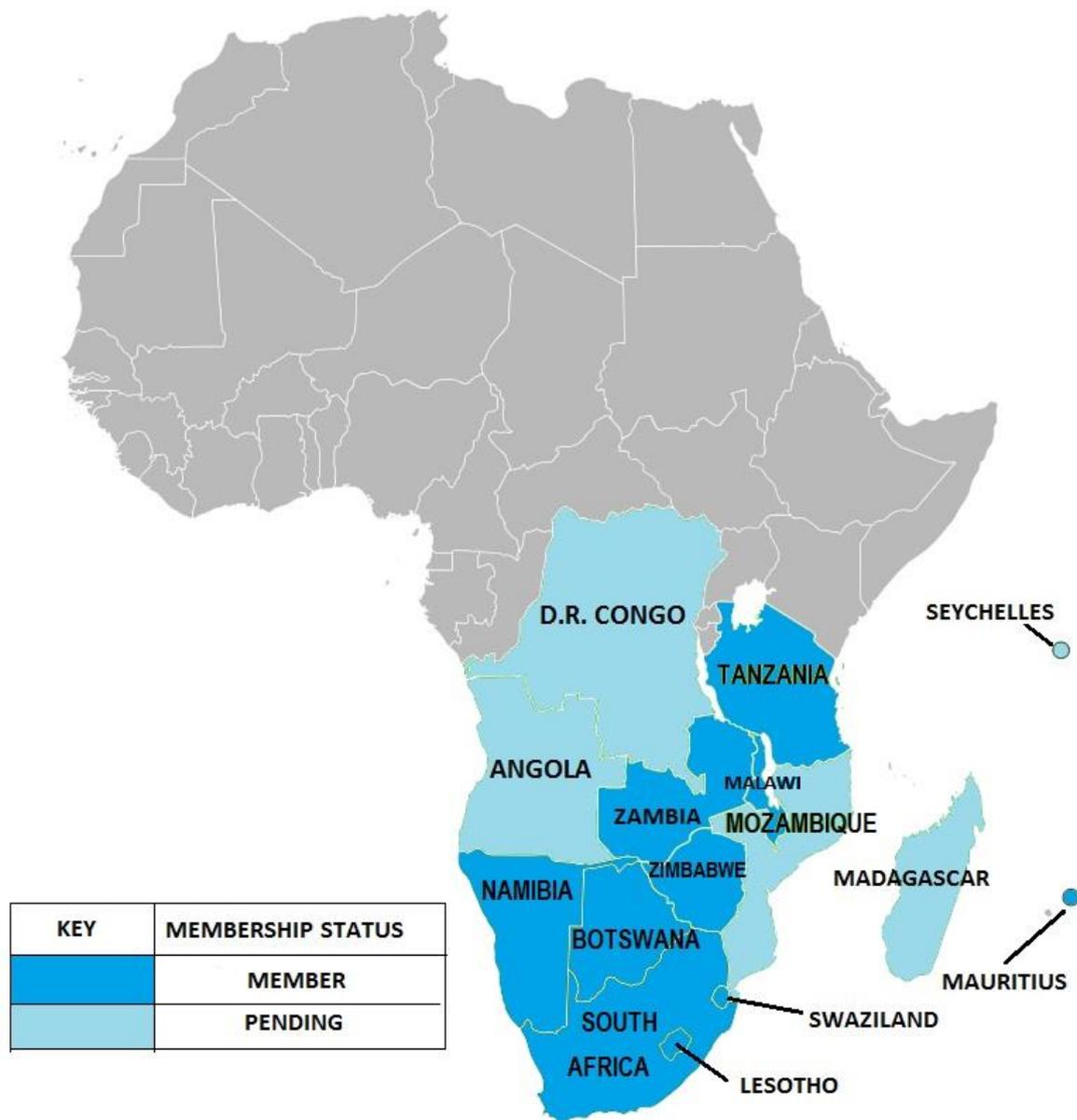
In 2015, INL provided support to ARINSA through GPML. The funding was directed towards offering anti-money laundering technical assistance, training courses and mentoring programs.

Membership

ARINSA membership status is open to any African Member State. The following countries are current members of ARINSA:

Botswana, Lesotho, Mauritius, Malawi, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. Countries including Angola, Madagascar, Mozambique and Seychelles have indicated that they would like to be members of ARINSA.

The map below indicates the spread of membership across the region:



ARINSA ACTIVITIES IN 2015

In 2015, UNODC supported ARINSA in hosting a number of activities in line with strengthening technical cooperation and capacity building.

The activities included:

3.4 ARINSA AGM

The ARINSA Annual General Meeting (AGM) was held from 2 - 3 July, 2015. Delegates from 14 countries in Southern and Eastern Africa attended with more than 100 people in attendance over the two days of the AGM.

Advocate Shaun Abrahams, the recently appointed National Director of Public Prosecutions of South Africa gave the opening address. He highlighted the significance the ARINSA network has in putting prosecutors and investigators in contact with counterparts in member countries of the ARINSA network and facilitating the connection within the other asset recovery networks worldwide.



Adv. Shaun Abrahams, National Director of Public Prosecutions in South Africa

Advocate Abrahams noted that "Asset forfeiture is a major weapon against crime with the major advantage that it begins to take the profit out of crime and use it to fight the crime". Adv. Abrahams added that to effectively deal with crime, networks like ARINSA need to be established fully operational.



Frederic Raffray, Attorney General's Chambers in Guernsey President of the Camden Asset Recovery Inter-Agency Network, (CARIN)

Frederic Raffray from the Attorney General's Chambers in Guernsey and the president of the Camden Asset Recovery Inter-Agency Network, (CARIN) gave further opening remarks. Mr Raffray remarked that they (CARIN) are proud to be associated with ARINSA and that the continuous learning from each other's experiences was key to the growth of all networks.

The AGM welcomed Angola, Madagascar and Mozambique to the meeting and it was noted that Seychelles had expressed an interest in joining ARINSA. It is hoped that by the next AGM all the countries will

become full members of ARINSA.

A tour-de-table of the ARINSA member countries took place. Member states shared experiences and discussed on best practices, possible areas of improvements, setting up Asset Forfeiture Units and the sustainability of the network. Break-out sessions were held on developing and strengthening Asset Forfeiture Units within Southern Africa.

The new ARINSA website, <https://new.arinsa.org> was also launched at the AGM. Features of the web-site include a news monitor, community platform and a wildlife platform that provides a link with countries in South-East Asia.

Guest speakers attended from Western Union and MoneyGram and advised on the contribution that they can make to financial investigations and tracing the proceeds of crime.



Delegates at the ARINSA AGM

TRAFFIC an organisation that monitors the trafficking of wildlife and wildlife products made a presentation on the current trends in wildlife trafficking between Africa and South-East Asia. This was an important presentation given the current crisis in wildlife crime.

The AGM was concluded by Tofik Murshudlu, UNODC Section Chief in Vienna, who gave closing remarks and thanked all present for all the hard work and encouraged the spirit of information sharing with

other networks.

International Workshops

UNODC supported ARINSA in hosting international events to enhance information sharing and networking. One such international event dealing with “Taking the Proceeds from Wildlife and Forestry Crime was held in Bangkok, Thailand.

Recovering the Proceeds from Wildlife and Timber Crime: Bangkok, Thailand 20 - 22 January 2015



The Bangkok conference was a follow up to the “Taking the Proceeds from Wild Life and Forestry Crime (WLFC)” held in Botswana. In June 2014, UNODCROSAF together with the Wildlife and Forestry Crime Division of UNODC Headquarters took the initiative to bring together prosecutors and investigators and other stakeholders from Africa and

Southern Africa to network and exchange information on wildlife and forestry crime. This was the first meeting of its kind and it paved the way for further cooperation between the two continents to confront these offences.

The object of the Bangkok conference was to bring further cooperation between African and Asian countries in the fight against WLFC. The countries that attended the conference included from Asia: Philippines, China, South Korea, Cambodia, Vietnam, Lao PDR, Thailand, Hong Kong and Indonesia and from Africa: Kenya, Mozambique, Zambia, Tanzania, Namibia and Botswana. The WLFC Platform on the ARINSA web-site¹ was introduced at the conference.

¹ The ARINSA website is at - <http://new.arinsa.org>

Regional Workshops

In 2015, UNODC supported ARINSA in training for over 2000 magistrates, judges, prosecutors, investigators, law enforcement authorities, financial intelligence officers, FIU analysts, customs officials, revenue authorities and other officials from countries in the region.

ARINSA used a number of different training modules. Each module was designed to focus on specific areas of money laundering, asset forfeiture and proceeds of crime. New techniques and procedures were introduced at these training events.

The training events included the following:

Regional Judicial Retreat in Swakopmund, Namibia, 13-15 July 2015

UNODC in partnership with the Bank of Namibia hosted a regional event for the judiciary dealing with the taking the proceeds of crime from 13 to 15 July 2015. The Judicial Retreat was a practical introduction to proceeds of crime and money laundering. The conference was opened by Namibia's Judge President and Deputy Chief Justice, Judge Petrus Damaseb.



The central feature of the Retreat was a case study based on a poaching incident and the steps needed to follow the money. International experts from Canada, United Kingdom and Switzerland made presentations and delivered oral arguments. The judiciary in working groups were then asked to consider the submissions and adjudicate accordingly.

The subjects covered included:

- An overview of money laundering and proceeds of crime
- Human rights and constitutional issues
- Investigating the proceeds of crime
- Freezing and managing the assets
- Money laundering prosecutions
- The calculation of confiscation orders
- International cooperation



“These criminals are organised by syndicates which are motivated by one single motive, and that is the enormous profits that can be made. They do not take into account the suffering and economic consequences for countries in the region caused by their deeds. When they are sentenced, they shrug their shoulders about the jail time, but cry openly when you take away their luxury vehicles, and their children’s privilege of attending exclusive schools”, UNODC Advisor.

The Retreat was also attended by His Honour Judge Hopmeier from the Kingston-upon-Thames Crown Court in the United Kingdom who is a notable international speaker on money laundering issues.

The recommendations from the Retreat included having a follow up event in 2016 and cascading the training nationally in the different countries that attended.

Regional Introduction to Forensic Accounting I in Pretoria, South Africa, 22 - 24 June 2015

The objective of the training was to build the capacity of law enforcement officers, prosecutors and financial investigators in the asset forfeiture units of the ARINSA member



states, in forensic accounting. The objective was achieved through presentations, practical demonstrations, exercises and plenary discussions.

The training covered a wide range topics which included:

- Overview of forensic accounting and financial investigations,
- Overview of entity structures and books of record,
- Sources and analysis of financial information,
- Financial Investigation list and profiling,
- Concept of beneficial ownership,
- effective control,
- proving ownership, tracing assets in a cash economy and,
- case studies.

The training was viewed as a success by the participants who requested that ARINSA should consider offering an advanced course in forensic accounting. The participants found the training very informative as they could relate the exercises to similar cases in their jurisdictions.

Ms. Zhuldyz Akisheva, the UNODC Representative made the closing remarks and extended her heartfelt gratitude for such an encouraging participation and attendance. She concluded by awarding certificates of attendance to the participants.

“Thanks for the updates: we look forward to the Advanced Training for more professional exchanges and networking. It was a worthy experience and the advantages gained are already being felt. Kind regards to all,”

“Indeed, the training was very useful and successful. An advance training will be most welcome,”

“Practical knowledge and experience sharing were among the highlights during the training. Big up to ARINSA and the hosts, “

Feedback from workshop participants.

Regional Cash Courier Training in Pretoria, South Africa, 24 -27 August 2015



Delegates at the Cash Courier Workshop

A four day workshop saw 50 delegates from 16 Southern African countries² attending. ARINSA's cash courier training course provided an opportunity for national practitioners engaged in border control, police and FIU staff to develop their knowledge and skills in the mechanisms for monitoring cross-border transportation of cash and bearer negotiable instruments (BNIs), as well as the identification and interdiction of cash couriers. This training was also designed to assist countries to implement FATF Special Recommendation IX on cash couriers.

The workshop covered a wide range of issues associated with the problem of cash couriers and included the following topics:

- Overview of the Cross Border Movements of Currency and Bearer Negotiable Instruments.
- Cash Smuggling techniques,
- Money Laundering,
- Financing of Terrorism,
- Cash Systems,
- Recommendation 32 of the FATF,
- Suspicious Transaction Reports,
- Sources of Intelligence and Developing Sources,
- Intelligence Reports,
- Hawala banking and Other Service Providers,
- Cash Handling and Forensics and
- Practical Interview Techniques.

"It was well organised from A-Z. The venue was proper. The environment was safe; Knowledge well picked up. We need to advance more in AML and CFT. Invite us again."

Practical exercises re-inforced the skills that were being delivered by the presenters.

Participants reported that they had learnt a lot of new skills and techniques which were relevant to their work.

Regional Financial Investigation in Pretoria, South Africa, 31 August - 4 September 2015

The five day workshop titled "Financial Investigation" was coordinated by UNODC, for 49 delegates from 13 Southern African countries. The workshop was an in-depth training for national financial investigators and prosecutors on the current methods and practices used to develop and conduct financial investigations in the field of AML.

² Angola, Botswana, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Swaziland, Rwanda, South Africa, Tanzania, Uganda, Seychelles, Zambia, Zimbabwe



Participants learnt how to plan and carry out AML investigations based on current good practices and methodologies. The course also aimed to address the relationship between financial investigators and prosecutors responsible for AML cases with the goal of ensuring that financial investigators are able to gather and develop high-quality information for presentation to the courts in cases of terrorist financing or money laundering charges. The coursework focused on the importance of

national coordination, as well as regional and international cooperation when investigating money laundering and financing of terrorism cases. The delegates included, *inter alia*, police, anti- corruption, asset forfeiture, revenue authority investigators and public prosecutors.

The topics covered, included Money Laundering, Financing of Terrorism, Suspicious Transaction Reports, Investigative Techniques and Evidence, Search and Seizure Procedures, Sources of Financial Intelligence, Statement Taking, Financial Interview Techniques and the Role of the Prosecutor.

“We surely had a wonderful and safe trip back to Malawi. It was a fruitful workshop!! We arrived home safely. Now back in office - to start applying the newly gained knowledge and skills,”

The participants emphasized the need to do similar trainings in the countries in order to reach a wider audience.

[NPA/ARINSA Training Week, Johannesburg, South Africa, 28 - 30 Sept 2015](#)

UNODC supported the National Prosecuting Authority of South Africa’s Asset Forfeiture Unit Training week. The conference was held over three days and aimed to bring prosecutors and investigators up to speed with the new trends being used by criminals.

Advocate Shaun Abrahams, the National Director of Public Prosecutions (NDPP) opened the conference. He urged prosecutors to continue upholding and protecting their constitutions and fundamental rights, by enforcing the laws vigorously without fear, favour or prejudice.

[Capacity Building in Member States](#)

UNODC supported ARINSA in providing training on proceeds of crime and asset forfeiture, based upon individual needs for the countries. The training workshops were for the judiciary, prosecutors, investigators, FIU analysts, financial investigators, revenue authorities, police officers and other government officials. The countries’ national legislation was used to work through the training in order to address the challenges they were facing.

In 2015 ARINSA held the following national workshops based upon the countries specific needs:

Capacity building workshops: Lesotho

1. Asset Tracing and Forfeiture, 19-20 January 2015, 30 investigators trained.
2. Financial Investigation Overview: Money laundering and Terrorism financing, 14 April 2015, 5 Financial Intelligence Unit (FIU) Analysts trained.
3. Financial Investigation. Money laundering points to prove, 16 April 2015, 14 Lesotho Mounted Police Service (LMPS) Investigators trained.
4. Income and Expenditure. Net Worth Analysis, Money Laundering (ML) concepts and points to prove, 29 April 2015, 40 Lesotho Revenue Authority (LRA) Enforcement division
5. Financial Investigation Overview, 06 July 2015, 35 LMPS, Directorate on Corruption & Economic Offences (DCEO), Lesotho Revenue Authority (LRA), National Security Services (NSS), FIU officials trained
6. Money Laundering, 07 July 2015, 26 Directorate on Corruption & Economic Offences (DCEO), FIU and attorneys

In Lesotho in 2015, a total of six (6) workshop were held and 124 officials undertook training.

Capacity building workshops: Zambia

1. Exhibit handling, financial intelligence, 09 march 2015, 15 Drug Enforcement Commission (DEC) Interdiction team members trained.
2. Forfeiture, asset recovery, financial intelligence, 19 March 2015, 30 Drug Enforcement Commission (DEC), Anti-Corruption Commission (ACC), Zambia Prosecuting Authority (ZPA), Zambia Revenue Authority (ZRA), Financial Intelligence Centre (FIC) members trained.
3. Income and Expenditure. Net Worth Analysis, 16 DEC members trained.

In Zambia, in 2015, three (3) workshops were held and a total of 61 officials were trained.

Capacity building workshops: Namibia

1. Proceeds of crime, 3 February 2015, 8 Prosecutors and Police trained
2. Adoption of the project work plan, 19 March 2015, 10 FIU and Police members trained.
3. Asset Forfeiture, 9 July 2015, 10 Prosecutors and Police trained.
4. Asset forfeiture, 13 July 2015, 25 Judges trained
5. Money laundering and Proceeds, 17 July 2015, 17 Prosecutors and Police trained.
6. Introduction to the proceeds of crime for the Solicitor General & Prosecutor General's office, 16 July 2015, 18 Solicitor General & Prosecutor General members trained.

In Namibia, in 2015, six (6) workshops were held and 88 officials underwent training.

Capacity building workshops: Swaziland

1. Asset Forfeiture and Money laundering, 11- 12 February 2015, 60 Royal Swazi Police Investigators, ACC & SRA Investigators
2. Taking the proceeds from Crime, 16-20 March 2015, 60 Prosecutors and Investigators
3. Money Laundering & Financing of terrorism, 11 - 13 May 2015, 27 Royal Swazi Police Investigators, Anti-Corruption Commission (ACC) & Swazi Revenue Authority (SRA) Investigators
4. Money Laundering & Financing of terrorism, 15 - 18 May 2015, 29 Royal Swazi Police Investigators, Anti-Corruption Commission (ACC) & Swazi Revenue Authority (SRA) investigators
5. Sensitization Workshops, 13 July 2015, 27 Royal Swazi Police
6. Sensitization Workshops, 14 July 2015, 26 Royal Swazi Police
7. Sensitization Workshops, 15 July 2015, 29 Royal Swazi Police
8. Sensitization Workshops, 16 July 2015, 27 Royal Swazi Police
9. Sensitization Workshops, 17 July 2015, 31 Royal Swazi Police
10. Financial Investigations Workshop, 14-18 September 2015, 32 Royal Swazi Police

In Swaziland, in 2015, ten (10) workshops were held and a total of 348 officials were trained.

Capacity Building workshops: Tanzania

1. Financial Investigations & Addressing the Proceeds and Instrumentalities of Predicate Offences, 26 February 2015, 17 Prosecutors and Investigators
2. Financial Investigations & Addressing the Proceeds and Instrumentalities of Predicate Offences, 27 February 2015, 18 Prosecutors and Investigators
3. Training Workshop on Identifying and Handling of Suspicious Cash, 16 July 2015, 32 Prosecutors and Investigators
4. Judicial Retreat, 20 – 24 April 2015, 40 Judges and magistrates

“We have other cases which we have obtained convictions and hefty fines. We are also awaiting judgment of the case involving seizure of the largest contraband of ivory tusks which were seized in Dar Es Salaam in 2013. The two accused, Chinese Nationals were found in unlawful possession of 728 pieces of ivory tusks”. By Paul Kadushi

In Tanzania, in 2015, four (4) workshops were held with a total 107 officials being trained.

Capacity building workshops: Malawi

1. Financial Investigations & Addressing the Proceeds and Instrumentalities of Predicate Offences, 28 April 2015, 17 Prosecutors and Investigators
2. Financial Investigations & Addressing the Proceeds and Instrumentalities of Predicate Offences, 29 April 2015, 17 Prosecutors and Investigators

3. The Application of Anti-Corruption and Current AML Legislation to address Proceeds in Corruption Cases - informal workshop, 28 June 2015, 8 Prosecutors and Investigators
4. The Application of Anti-Corruption and Current AML Legislation to Address Proceeds in Corruption Cases - informal workshop, 29 June 2015, 12 Prosecutors and Investigators
5. Training Workshop on Identifying and Handling of Suspicious Cash, 25-26 August 2015, 44 Law enforcement agents

In Malawi, in 2015, five (5) workshops took place and a total of 135 officials were trained.

Capacity building workshops: Mauritius

1. Money Laundering & Terrorist Financing, 23 January 2015, 60 Prosecutors; Asset Recovery Unit; Compliance staff from Banking Institutions; the Financial Intelligence Unit (FIU); the Independent Commission Against Corruption (ICAC); Central Crime Investigation Division; the Anti-Drugs and Smuggling unit, (ADSU); and the Mauritian Revenue Authority (MRA), Customs.
2. Financial Intelligence, Financial Investigation, Asset Recovery, and Inter-Agency Co-operation, 30 January 2015, 45 Prosecutors; Asset Recovery Unit; the Financial Intelligence Unit (FIU); the Independent Commission Against Corruption (ICAC); Central Crime Investigation Division; the Anti-Drugs and Smuggling Unit, (ADSU); and the Mauritian Revenue Authority (MRA), Customs.
3. Awareness Raising- Money Laundering & Terrorist Financing: Typologies; the International Dimension; the threat to Mauritius, 24 June 2015, 20 Financial Intelligence Unit (FIU)
4. Financial Interviews, Practical Techniques, 25 June 2015, 25 Prosecutors; Asset Recovery Unit (ARU); the Independent Commission against Corruption (ICAC); Central Crime Investigation Division (Police).



Confiscated assets in Mauritius

In Mauritius, in 2015, four (4) workshops were done and 150 officials in total were trained.

Capacity building workshops: Botswana

1. Money Laundering & Terrorist Financing, 16 March 2015, 7 Directorate on Corruption and Economic Crime (DCEC) Financial Investigators
2. Money Laundering & Terrorist Financing, 20 March 2015, 6 Botswana Unified Revenue Services (BURS) investigators
3. Financial Intelligence, Financial Investigation, Asset Recovery, and Inter-Agency Co-operation, 20 March 2015 & 23 March 2015 (mornings), 25 Investigators from Directorate on Corruption and Economic Crime (DCEC) and Botswana Unified Revenue Services (BURS)
4. Money Laundering, 13-15 April 2015, 27 Prosecutors and Investigators

5. Awareness Raising- Money Laundering & Terrorist Financing - Typologies; the International Dimension; and the National Risk, 10 July 2015, 11 Investigators from Directorate on Corruption and Economic Crime (DCEC)
6. Financial Interviews, Practical Techniques, 16 July 2015, 25 Directorate on Corruption and Economic Crime (DCEC), Police, Botswana Unified Revenue Services (BURS)

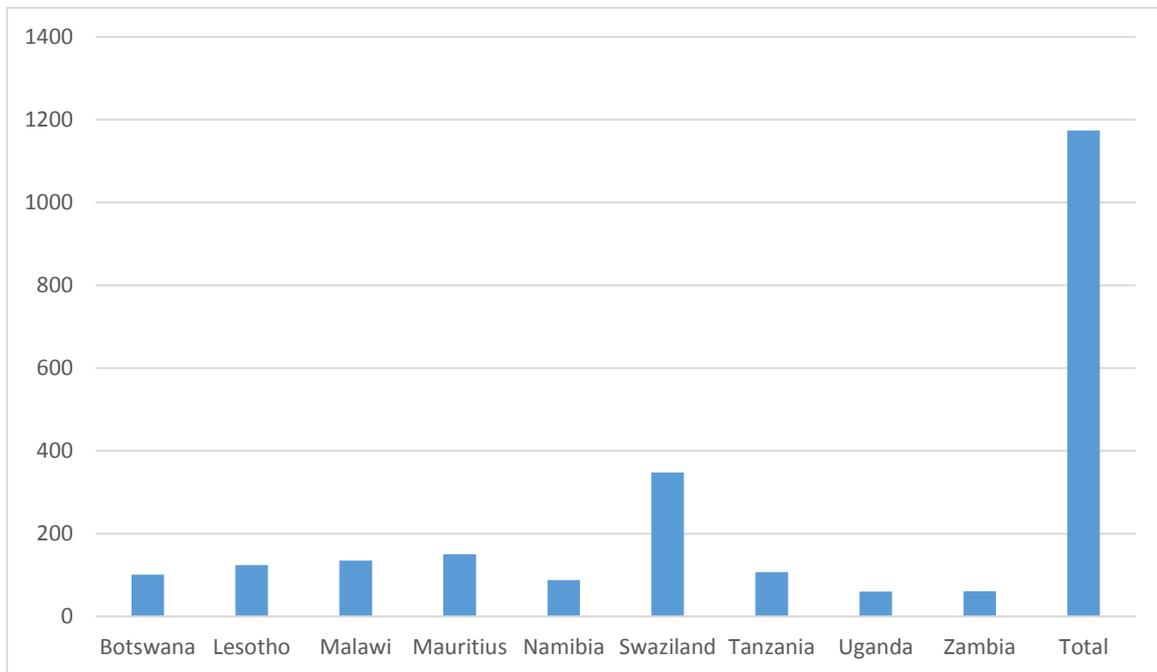
In Botswana, in 2015, six (6) workshops were held and 101 officials underwent training.

Capacity building workshop: Uganda

A workshop was held in Uganda on Taking the Proceeds from Wildlife Crime on 27 February 2015, 60 Magistrates, Prosecutors and Investigators were trained.

In 2015, a total of 1174 officials in 9 countries were trained on AML in the region.

The diagram below shows the breakdown of the number trained per country.



Number of officials trained per country.

4. Strengthening national law enforcement through mentorship programmes

Mentorship Program

The Mentorship Programme has been one of the most effective services provided by UNODC in 2015. Experienced financial investigators have worked together with member countries to help them establish their asset forfeiture regimes.

The strength of the Mentor Programme lies in the extensive knowledge and years of operational proceeds of crime experience. The mentors are ideally positioned to give expert advice, as well as provide the hands-on guidance that national practitioners need to develop the necessary infrastructure and effectively implement their country's proceeds of crime regimes. This is always done with the aim of meeting international standards. UNODC Mentors have been particularly successful in assisting countries in establishing AML legal regimes and improving AML-related law enforcement responses.

The mentors have been able to guide and assist in the process of taking cases to court. This is an invaluable resource in helping countries prosecute their first cases. The mentors have also prepared and presented workshops on specific issues that they identified in the course of their mentorship work.

Another important aspect of the mentors work is the development of Strategic Plans with the country authorities. These strategic plans provide the framework for the development of asset forfeiture regimes in the countries for the next three years.

In 2015, a total of 16 mentor placements were to Botswana, Lesotho, Mauritius, Malawi, Namibia, Swaziland, Uganda and Zambia, this resulted in more than 1000 officials being assisted in proceeds of crime work.

Prosecutor Placement Programme

The Prosecutor Placement Programme (PPP) is a capacity building programme designed to give confiscation prosecutors, or practitioners with limited experience, a practical understanding of asset confiscation methodologies and practices by placing them in the office of an experienced and capable confiscation legal team. In 2015, 24 prosecutors attended the PPP.

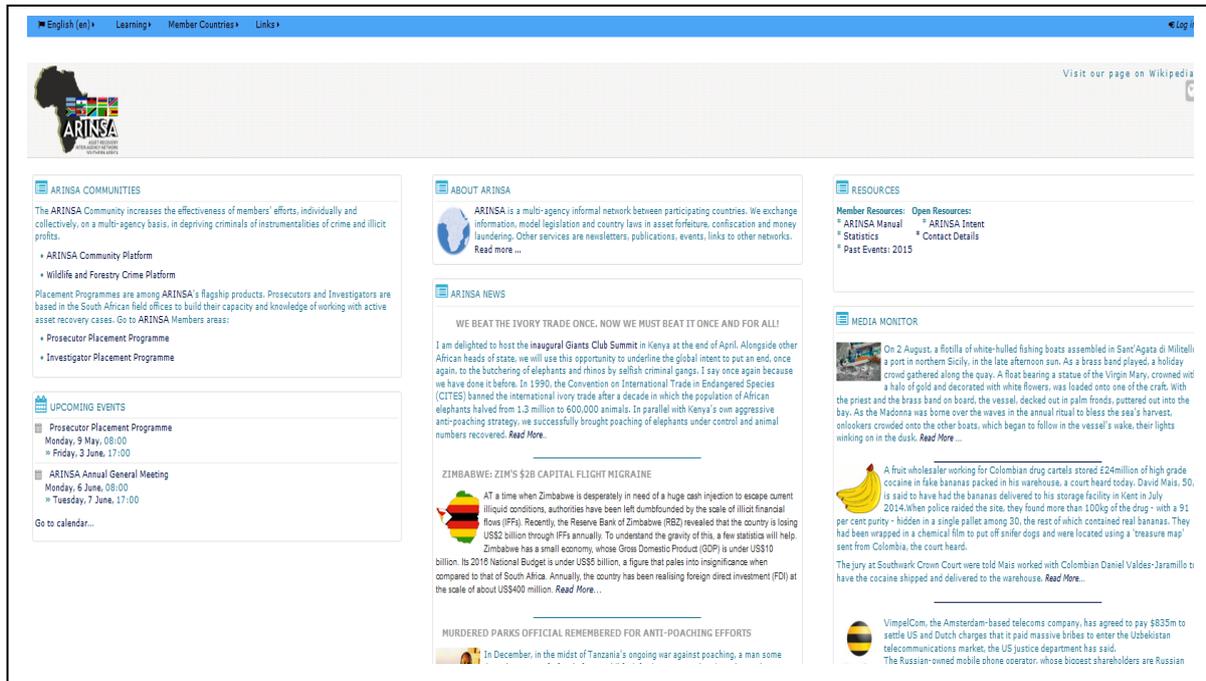
5. Information sharing and dissemination

In 2015, the ARINSA website was re-launched on <http://new.arinsa.org>, at the ARINSA Annual General Meeting.

The website provides two functional areas firstly, the Members Login Area and the public area.

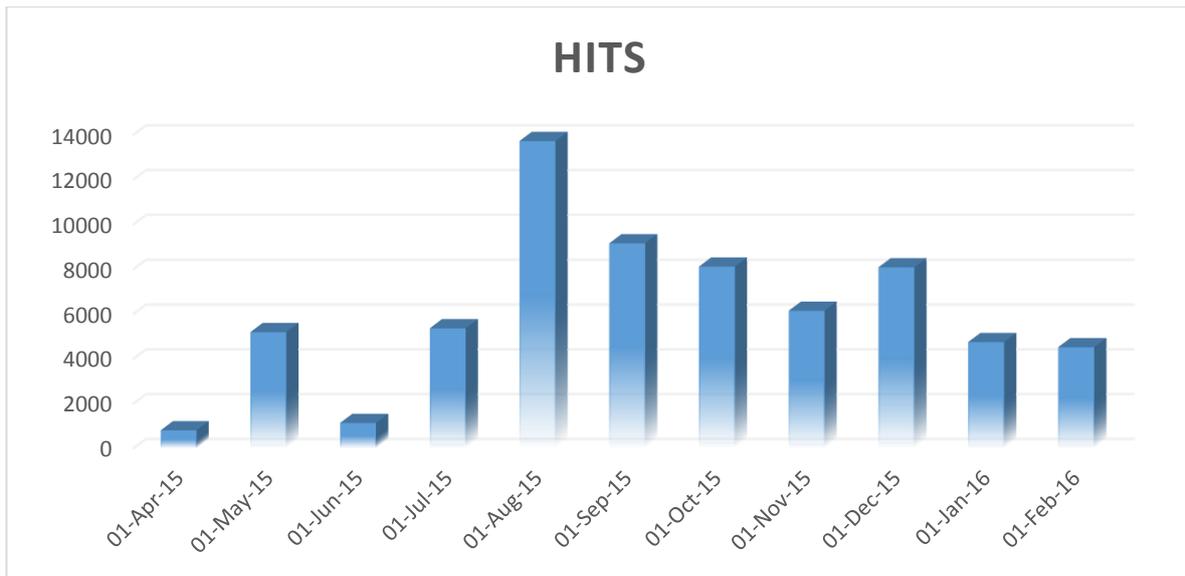
The public area provides news updates and has a media monitor that delivers global news on money laundering. There is a description of the ARINSA network and a calendar of upcoming events.

The member's login area provides a number of platforms for members including the Wildlife and Forestry Crime Platform, Investigator Placement Programme, Prosecutor Placement Programme, ARINSA Gallery, Country Information and Video Seminars.



An e-learning programme is being developed to provide distance learning for the benefit of members and will be launched in 2016. Information on member country's legislation and case law dealing with money laundering and proceeds of crime is also kept on the web-site.

The web-site has been actively used since its launch on 02 July 2015. To-date the website has received over 66,000 hits and has 450 registered members of the ARINSA Community. Members are using the website to communicate and share information with each other, and thereby keeping up-to-date with modern trends in money laundering, curbing the crime and recovering the proceeds of crime.



No. of hits per month since the launch of the website.

6. Legislative Assessments

Another service that has been provided throughout 2015 has been the provision of legislative assessment and legislative drafting for ARINSA countries. A consultant was engaged to provide the legislative review service and prepared recommendations for countries on the strengthening of their Proceeds of Crime and Money Laundering cases.

This service was used by the authorities in Tanzania, Malawi and Uganda in 2015.

7. Case results and Successes

Establishment of Asset Forfeiture Unit (AFU)/ Asset Forfeiture Fund (AFF) /Asset Management

The UNODC mandate on AML is to help establish legal and regulatory frameworks as well the infrastructure and skills needed.

The key achievements have been assisting member countries in establishing Asset Forfeiture Units, Asset Forfeiture Funds and Asset Management Units. These are vital components in developing an effective asset forfeiture regime.

In 2015, the following developments were made in establishing the units to address proceeds of crime and money laundering issues. This information was provided in a survey of the member states:

- 90 percent of the ARINSA Member States have established an Asset Forfeiture Unit.
- 50 percent of the ARINSA Member States have set up an Asset Forfeiture Fund.
- 50 percent of the ARINSA Member States have established an Asset Management Unit

COUNTRY	AFU	AFF	AM
Botswana	No	No	Yes
Lesotho	Yes	Yes	Yes
Malawi	Yes (early stages)	No	No
Mauritius	Yes	Yes	Yes
Namibia	Yes	Yes	No
South Africa	Yes	Yes	Yes
Swaziland	Yes	Yes	No
Tanzania	Yes	No	Yes
Zambia	Yes	No	No
Zimbabwe	Yes	No	No

The table above shows the existence of AML infrastructure in ARINSA member countries.

Cases

In 2015, member countries reported an increase in the number of cases of money laundering and proceeds of crime. Some examples of the cases that have been reported are detailed below.

The WhiteDot Case - Mauritius

In 2013 the police started an investigation into a massive Ponzi scheme fraud case following complaints made by members of the public. The said fraud spanned over several years. White Dot Company was inviting members of the public to invest in the said company against payment of interest three times higher than the normal rates offered by other financial institutions. Also the company was recruiting agents all over the island to canvass for investors.

Investigations have revealed that the sum of over Rs600m (\$19,7m) was misappropriated and with more than 500 individuals defrauded. Monies paid by members of the public were paid into several bank accounts managed by White Dot. The money was not invested as represented to investors but was used in part to pay dividends to investors and the remainder to buy property and vehicles in the name of the Directors.

The Police investigated the criminal side of the case whilst the Mauritian Asset Recovery Unit was requested to trace and restrain all the properties and bank accounts which represented proceeds of fraud. This was the first applications before our courts of this nature and it was a challenge interpreting and applying the new legislation.

Applying best practices learnt from ARINSA and organising Task Force meetings helped them get through the challenges. Stake holders (police, Independent Commission against Corruption (ICAC), Financial Intelligence Unit (FIU), Mauritian Revenue Authority (MRA)) came together and gathered maximum information to prepare the application. The Supreme Court gave, restraining orders to freeze the accounts and properties of the persons involved and the Company in Mauritius.

Part of the money was also transferred to other jurisdictions including Switzerland as follows:

- (i) Mur 958, 567.00 (\$32, 000.00), (ii) CHF 26, 627.00 (\$29, 000.00)

Contacts in Switzerland were established through CARIN using the ARINSA Network, to ask law enforcement authorities in Switzerland to freeze the sums in the hands of the respective beneficiaries.

Ex – Minister Sentenced - Zambia

Zambia recorded the first conviction under the FORFEITURE OF PROCEEDS OF CRIME ACT when an ex-minister was sentenced for burying over K2million (\$300,000) in his farm. The Supreme Court on Tuesday 2nd June, 2015 upheld the two-year jail sentence with hard labour imposed on former minister of labour and social security Austin Liato, by the Lusaka Magistrate's Court for possession of K2.1 million reasonably suspected to be proceeds of crime.

Mr. Liato was sentenced to 24 months imprisonment with hard labour. His farm and the K2.1 million which was in his possession were forfeited to the State.

In his judgement, Mr Justice Malila stated that: " The money was buried underground in a chalet at the convict's farm and the top was sealed with concrete. This raises a lot of questions on whether the money was gotten legitimately. This court holds the view, therefore that the money was ill-gotten as no one would conceal money the way the convict did even if one had lost faith in the banking system in the country".

The judgement is a landmark achievement and sets a precedence in the fight against fraud, corruption and money laundering in the country.

Annexure 1: Analysis of Course Evaluation results from some of the trainings conducted by UNODC

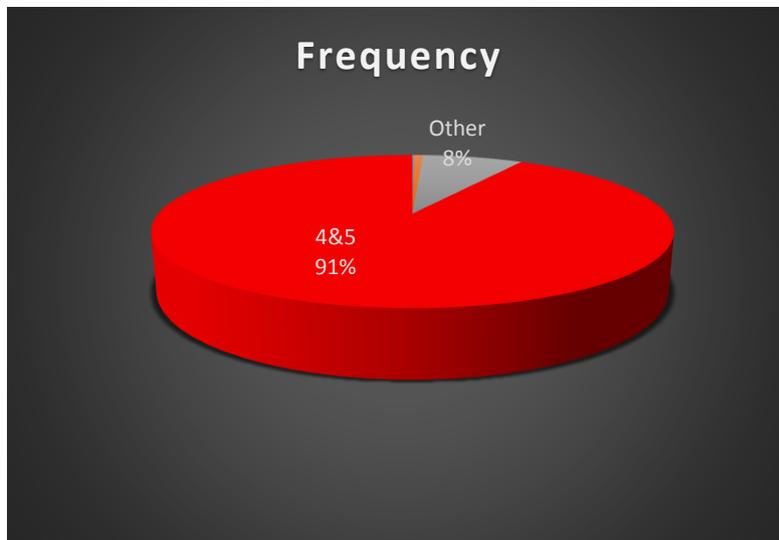
As a means of evaluating the training workshops that are offered by ARINSA, participants are issued with evaluation forms. They are requested to rate the workshop according to the following criteria on a scale from 0 - 5, with 0 being negative and 5 being extremely positive:

- a) Training objectives and schedule
- b) Content of Presentations
- c) Exercises and Participation
- d) Trainers
- e) Relevance of the Training to Your Work
- f) Training Setting and Materials

Three workshops held in 2015, have been picked randomly and their evaluation results are explained below. The table shows the rating and frequency. Frequency is the number of times a rating has been selected throughout the entire evaluation.

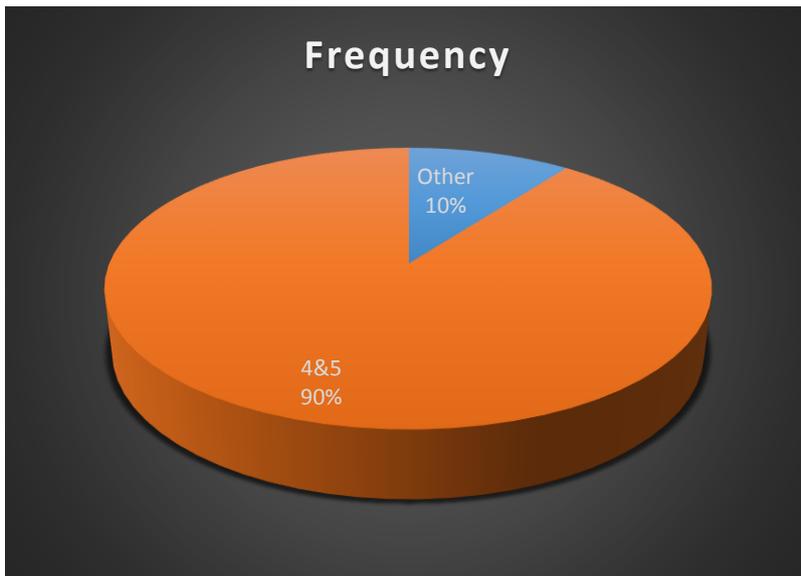
Regional Judicial Retreat – Swakopmund, Namibia 13-15 July 2015

Of the 41 judges and magistrates who participated from all across the Southern African region at the Regional Judicial Retreat held in Swakopmund, Namibia, 91 percent of the participants were extremely satisfied and gave a rating of 4 and 5, across all the 6 categories, 9 percent of the participants, were satisfied and gave other ratings.



Rating	Frequency
Other	53
4&5	670

Financial Investigation Training - Pretoria, South Africa, 24 – 28 August 2015

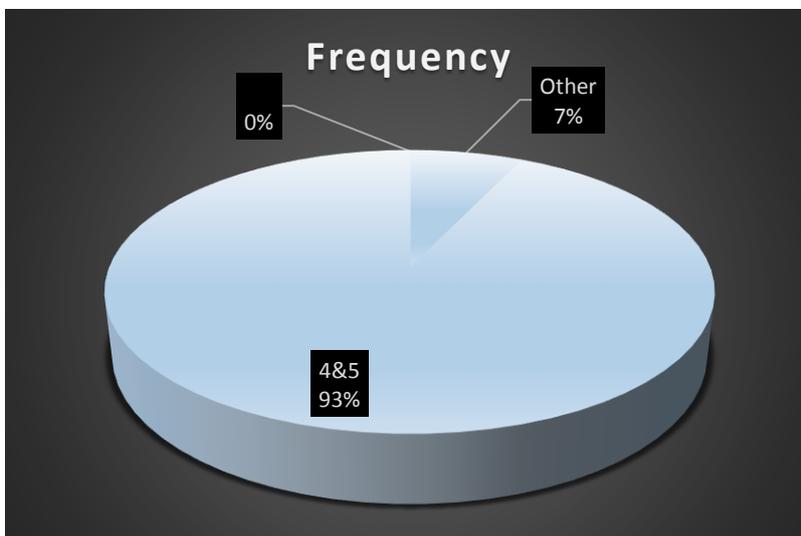


Forty-four (44) financial

Rating	Frequency
Other	81
4&5	709

investigators from across the region attended the Financial Investigation workshop held in Pretoria from 24 – 28 August, 2015. Evaluation results showed that 90% were extremely satisfied with the training while 10% were satisfied with the results.

Basic Forensic Accounting – Pretoria, South Africa, 22 -24 June 2015



Rating	Frequency
Other	70
4&5	921

Forty-six (46) law enforcement officers, prosecutors and financial investigators in the asset forfeiture units of [ARINSA](#) member states received training in Basic Forensic Accounting in Pretoria, South Africa. An evaluation revealed that 93% rated the workshop between 4&5 (extremely satisfied), and only 7% were satisfied with the workshop.

“I thoroughly enjoyed the videos and the presentations. UNODC should continue training of this nature in order to capacitate the countries on how to address the scourge of economic crimes in Africa and elsewhere”

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