



INTERNATIONAL MONETARY FUND



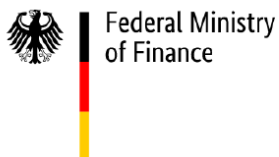
**AML/CFT THEMATIC FUND PHASE III
FOURTH ANNUAL REPORT (MAY 2023–APRIL 2024)
AND
WORKPLAN FOR YEAR FIVE**

JUNE 2024

AML/CFT Thematic Fund Phase III supported by:



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ABBREVIATIONS

A&D	Analytics and Development
AML/CFT	Anti-Money Laundering/Combating the Financing of Terrorism
AML TF III	Phase III of the Anti-Money Laundering/Combating the Financing of Terrorism Thematic Fund
APG	Asia Pacific Group on Money Laundering
ATI	Africa Training Institute
BFIU	Bangladesh Financial Intelligence Unit
BoA	Bank of Algeria
BoB	Bank of Botswana
BoJ	Bank of Jamaica
CBDC	Central Bank Digital Currency
CBE	Central Bank of Egypt
CBR	Correspondent Banking Relationships
CBvS	Central Bank of Suriname
CD	Capacity Development
CDSC	Capacity Development Strategy Concept
CDMAP	Capacity Development Management and Administration Program
CEF	Center for Economics and Finance
COM	IMF Communications Department
DNFBP	Designated Non-Financial Businesses and Professions
ECCB	Eastern Caribbean Central Bank
ECCU	Eastern Caribbean Currency Union
ECF	Extended Credit Facility
EPSP	Electronic Payment Service Providers
ESAAMLG	Eastern and Southern Africa Anti-Money Laundering Group
ESC	Evaluation Sub-Committee
EU	European Union
FAD	IMF Fiscal Affairs Department
FATF	Financial Action Task Force
FCS	Fragile and Conflict-Affected States
FIC	Namibia's Financial Intelligence Centre

FIG	Financial Integrity Group
FIU	Financial Intelligence Unit
FMD	Financial Monitoring Department
FY	Fiscal Year
FSAP	Financial Sector Assessment Program
GAC	IMF Governance and Anti-Corruption Division
ICD	IMF Institute for Capacity Development
ICRG	International Co-Operation Review Group
IDB	Inter-American Development Bank
IFF	Illicit Financial Flows
IMF	International Monetary Fund
IN	Inception Note
LEG	Legal Department
ME	Mutual Evaluation
MENA	Middle East and North Africa
MENAFATF	Middle East and North Africa Financial Action Task Force
MER	Mutual Evaluation Report
ML/TF	Money Laundering/Terrorist Financing
NBFIRA	Non-Bank Financial Institutions Regulatory Authority
NBU	National Bank of Ukraine
NPO	Non-Profit Organizations
NRA	National Risk Assessment
PF	Proliferation Financing
PEP	Politically Exposed Person
RA	Regional Advisor
RBA	Risk-Based Approach
RBM	Results-Based Management
RBS	Risk-Based Supervision
SRA	Sectoral Risk Assessment
SBV	State Bank of Vietnam
SC	Steering Committee
SCUML	Special Control Unit Against Money Laundering
STI	IMF-Singapore Regional Training Institute

STR	Suspicious Transaction Reports
TBO	Transparency of Beneficial Ownership
TFS	Targeted Financial Sanctions
UN	United Nations
VA	Virtual Asset
VASP	Virtual Asset Service Provider
WB	World Bank

EXECUTIVE SUMMARY

The Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Thematic Fund (AML TF), in the course of its third phase of operations (2020-2026), continues to show significant progress. Established in 2009, the AML TF is one of the pre-eminent global mechanisms for capacity development (CD) assisting countries enhancing the effectiveness of their AML/CFT frameworks and bolstering the integrity of the financial sector and broader economy. To deliver impactful and flexible CD, Phase III employs a combination of country modular long-term approach previously established under Phase II, coupled with thematic short-term engagements, and supported by analytical and development (A&D) work. This approach facilitates the design and delivery of country projects within the IMF's competencies with clear objectives, outputs, and indicators, against which progress can be measured.

Phase III of the AML TF (AML TF III)—which commenced its operations in May 2020 building on the success of Phase I and II—accomplished in its fourth year of operations the objectives set for that year with overall substantial results. Throughout the fourth reporting period of the AML TF III, overall traction continued to be strong in recipient countries. In addition, a significant increase in thematic offerings has led to more targeted engagements.

As of end-April 2024, donor partners have pledged US\$30.7 million¹ to finance a comprehensive suite of targeted AML/CFT CD activities spanning November 2020 through April 2026. CD delivery in the fourth year of operations covered 40 CD projects,² reaching 57 countries: 22 single-country projects; two regional projects covering seven countries (two Pacific islands and five MENA countries)³; ten thematic projects benefiting 28 countries, two A&D projects, and CD delivery through four regional advisors (RAs). This report covers the results during the fourth fiscal year reporting period (twelve months between May 1, 2023, and April 30, 2024).

During the reporting period, various projects concluded as they have achieved impressive outcomes while remaining projects under implementation have reached substantial progress. Among results produced by CD projects, training and workshops provided to financial supervisors in Algeria, Moldova, and Guyana increased their understanding of money laundering and terrorism financing (ML/TF) risks, leading to a better application of a risk-based approach (RBA); relevant AML/CFT weaknesses were highlighted in Governance Diagnostics conducted by the IMF on individual countries while notably prioritizing AML measures to support anti-corruption efforts; comprehensive AML/CFT law was passed in Bosnia and Herzegovina, despite its fragmented political situation; finalized AML/CFT risk-based supervision (RBS) tools are ready to be implemented in

¹ This includes the latest pledge of US\$1.2 million from the United Kingdom.

² Since Phase III started, AML TF has supported 47 projects and four RAs—51 projects in total. Among them 11 projects were closed before the fourth year: Afghanistan, Angola, Indonesia, TBO Entity Transparency, Eastern Caribbean Currency Union (ECCU) and Eastern Caribbean Central Bank (ECCB), Ecuador, Moldova, Pakistan, Guinea, CFT Handbook, and COVID-19 projects.

³ Prior to the fourth year (FY2024), the MENA countries project also covered two other countries (Algeria and Sudan)

Guatemala; the enacted Law organizing the Financial Intelligence Unit (FIU) in Haiti that was commended by assessors from the FATF network.

Selected countries that received CD covered by the AML TF III carried out significant reforms leveraged by IMF lending conditionality (and World Bank financing conditionality). Some countries have also been de-listed from the Financial Action Task Force (FATF) enhanced monitoring list through follow-up re-ratings. For example, Fund CD helped Moldovan authorities in their commitment under Fund lending program to strengthen the country's AML/CFT regime. In CD provided to Nepal in support of conditionality agreed on lending by the IMF resulted in the enactment of a comprehensive package to upgrade the AML/CFT legal framework that has been pending before parliament for a while. In Tajikistan, staff provided CD for the enactment of a comprehensive AML/CFT law that was a condition from the World Bank (WB) for providing financing. Jordan was officially removed from FATF's enhanced monitoring list (grey list) in October 2023 after extensive support provided by the CD project team in recent years. In Namibia, with support from the CD project team, over 16 pieces of legislation were enacted, leading to positive re-ratings on 15 FATF Recommendations to Compliant and Largely Compliant. The CD project with Uganda, which focused on enhancing RBS, played a crucial role in the country's successful clearance of the FATF action plan item on supervision, ultimately contributing to the county's removal from the FATF grey list in February 2024. The FATF recognized Uganda's successful implementation of its action plan, including enhancements in RBS and legislative reforms, which were crucial for addressing previous deficiencies identified in its financial system. With Fund AML/CFT CD, Jamaica is expected to be delisted by the FATF in June 2024.

Fund staff continue to receive a high level of AML/CFT-related CD requests from its membership. During the reporting year, 30 expressions of interest for new CD were received from 25 countries, mostly from low-and low-middle income countries. Of these, four requests were received from fragile and conflict-affected states (FCS).

The AML TF III's workplan for the fifth year (FY2025) is in line with the strategic goals approved by SC in December 2020 and its criteria for engagement while reflecting an increased scope in CD delivery. Demand for AML/CFT CD remained at higher levels than the IMF could provide, leading to turning down those that do not fulfill the selection criteria. The selection criteria seek to meet AML TF III priorities achieve regional balance, but also consider activities of other technical assistance partners, and LEG's AML/CFT engagements outside of the AML TF III. Staff also leveraged synergies between the IMF's surveillance and program work and CD work. RAs also played a critical role in developing and implementing projects throughout the Phase, capitalizing on their regional knowledge and local insight of the recipient countries. This year continues to emphasize tailored policy advice, tool development, expert guidance, and workshops to bolster legal, regulatory, and operational frameworks on AML/CFT. With the current phase set to continue until April 2026, a significant portion of the AML/CFT TF's resources is committed to ongoing projects, with capacity for initiating up to three new projects. However, strategic alignment with overarching goals ensures sustained impact and quality in combating financial crimes.

Financially, subject to the Steering Committee’s (SC) endorsement on the revisions to the workplan, the total workplan for AML TF III will be revised to US\$30.6 million, supporting 37 projects which include ongoing efforts from previous phases and three new projects⁴. Key financial movements include budget increases for six projects totaling US\$1,000,450 to deepen their impact and scope, and strategic reallocations following project completions or terminations to ensure efficient use of resources. A proposed thematic project with a budget of US\$214,000 is aimed at assisting countries to strengthen their AML/CFT frameworks in the context of IMF lending programs’ conditionality.

Operational adaptability remains a cornerstone of the workplan’s strategy, especially in response to ongoing security concerns and potential health crises like COVID-19. This flexibility ensures that field-based delivery can adapt to changing circumstances, maintaining effectiveness even under challenging conditions. Moreover, the integration of these projects with broader IMF efforts showcases a holistic approach to enhancing financial integrity globally. This synergy allows for a more unified and coordinated response to financial crimes and risks worldwide, leveraging shared resources and expertise to improve outcomes across various sectors and regions. In addition, in-person missions have increased significantly, and virtual mission’s modalities are leveraged, in line with the Fund’s CD strategy, to maximize results.

The fifth year workplan of the AML/CFT TF III largely continues the original plan approved by the SC in December 2020 and underscores a strategic and responsive approach to combating financial crimes through a blend of continuity in successful projects and innovative adaptations to new challenges. By aligning detailed project management with strategic financial oversight, the IMF aims to efficiently strengthen AML/CFT frameworks worldwide, enhancing global financial stability and integrity.

This report contains the following key sections:

- Analysis of progress made to date: this section summarizes progress made in CD delivery;
- Financial highlights: this section provides the status of fundraising efforts and expenditure during the reporting period;
- Presentation of the Workplan for Year Five of the AML TF III;
- Annex A which includes interim project assessment of active projects, reports from RAs, and final assessments of completed projects; and
- Annex B which includes project summaries for new projects being proposed for Year Five of the AML TF III.

⁴ With six projects to be closed, one project closed, and one project to be merged in early FY2025, 29 projects and four RAs will remain active, in addition to one more RA and three new projects, if approved (in total, 37 projects).

All the projects covered in this report are delivered by the staff of the Financial Integrity Group (FIG) of the IMF's Legal Department (LEG) of the and experts working under their direct supervision.

Box 1. Decision Points

The SC is invited to consider and endorse:

1. The Annual Report for Year Four of AML TF III operations.
2. The workplan and budget for Year Five of the AML TF III operations that includes:
 - A new thematic project with a budget of US\$214,000 focusing on enhancing the effectiveness of IMF member countries' AML/CFT frameworks and creating synergies across IMF workstreams in the context of IMF lending and support of conditionality implementation, in line with the 2023 Review of the Fund's AML/CFT Strategy.
 - A new single-country project with a budget of US\$160,500 for Ethiopia to focus on effectiveness and training as the country prepares for its upcoming mutual evaluation (ME) under the FATF network.
 - A new single-country project with a budget of US\$160,500 for Turkmenistan to enhance AML/CFT risk-based supervision of banks.
 - A total of US\$1,000,450 in budget increases for six projects to sustain and enhance their scope and impact, notably requests for the AML and Corruption, AML and Tax, Beneficial Ownership Transparency, Central Bank Digital Currency (CBDC), Illicit Financial Flows (IFF), and Pacific Island projects, ensuring continued and expanded commitments across various global initiatives.
 - Considering recent project completions, mergers, suspensions, and closures, a total of US\$840,708 to be redeployed from projects in Bosnia and Herzegovina, the merged Beneficial Ownership initiatives, Haiti, Myanmar, and Timor-Leste to optimize fund utilization across ongoing and new initiatives.
 - Time extensions for six projects—AML and Corruption, AML and Tax, Egypt, Namibia, Tajikistan, and Ukraine—to ensure they meet their objectives comprehensively, allowing for the consolidation of results, development of strategies, and reinforcement of capacity-building efforts in their respective areas.
 - A new module on diagnostics to be added to the CBDC project as it increasingly focuses on direct engagements with beneficiary countries to assist them in addressing financial integrity issues and reviewing their legal frameworks as they explore CBDC design.
3. Nominate the Netherlands as Vice-Chair for the SC meeting for FY2025 and subsequent Chair for FY2026.
4. Next SC meeting to be held around the FATF plenary, in June 2025, and be chaired by France, in-person.
5. Project summaries for the three proposed projects included in Annex B.

The proposed revisions to the workplan for the fifth year of the AML TF III are detailed in Table 7.

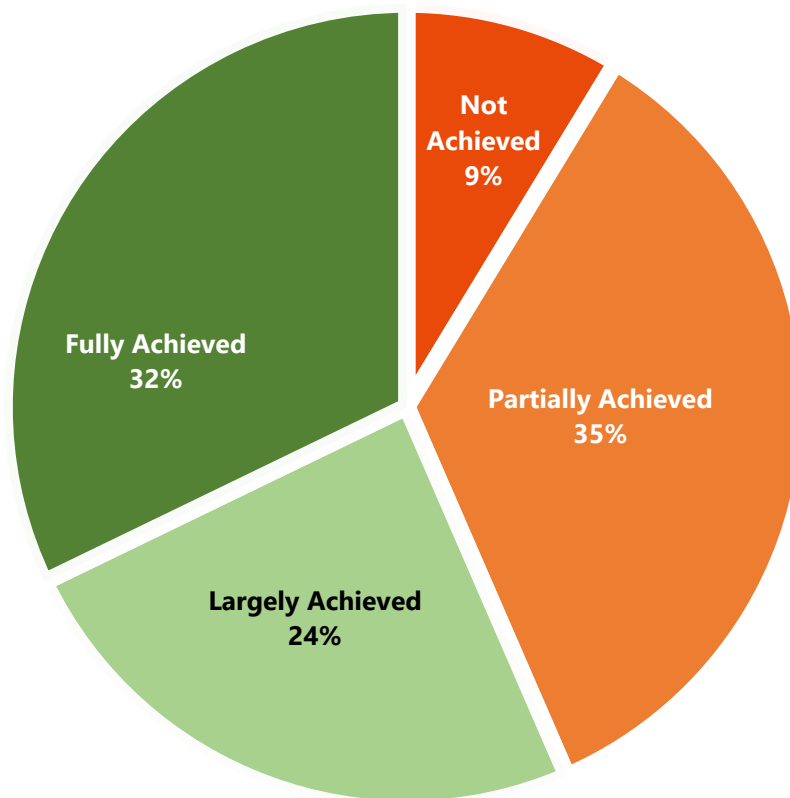
ANNUAL REPORT FOR YEAR FOUR OF THE AML TF III

A. Progress to Date

- 1. The fourth year of the AML TF III continued to offer a wide variety of projects for the benefit of an ample number of countries.** The reporting year included 40 CD projects covering 57 countries and the continuation of the work of four RAs, with good progress across projects and the successful completion of six, as expected. The CD projects comprised: 22 single -country projects; two regional projects covering seven countries (three Pacific Islands, and five MENA countries); 10 thematic projects with short-term CD engagements covering 28 additional countries, and two A&D projects. Assessment reports for each of these projects are set out in Annex A. In addition, a fifth RA for Francophone Africa was recruited in May 2024.
- 2. Overall progress is satisfactory, with more than half of the active projects in FY2024 completed or close to completion.** Consistent with the endorsements by the SC, staff has been assisting beneficiary countries in strengthening the effectiveness of their AML/CFT frameworks. This has been achieved through an extensive CD program designed to deliver sustainable and measurable results through longer, deeper, and more focused engagements as well as more targeted and agile CD being provided through thematic projects. Among others, significant achievements of the year include country de-listings by the FATF and correction of significant AML/CFT deficiencies, more effective AML/CFT frameworks in areas of IMF engagement (e.g., beneficial ownership or virtual assets (VAs)), upgrades in legal framework, and better supervision of key sectors by the competent authorities. The Results-Based Management (RBM) framework is used to monitor the progress of CD work by providing feedback on how the Fund's advice and training translate into tangible outcomes. Following the RBM framework, most outcomes are standing at either fully achieved (32 percent) or largely achieved (24 percent). Nine percent of outcomes have minimal progress, due to lack of traction from the recipients along with the newest projects being still at nascent stages.⁵

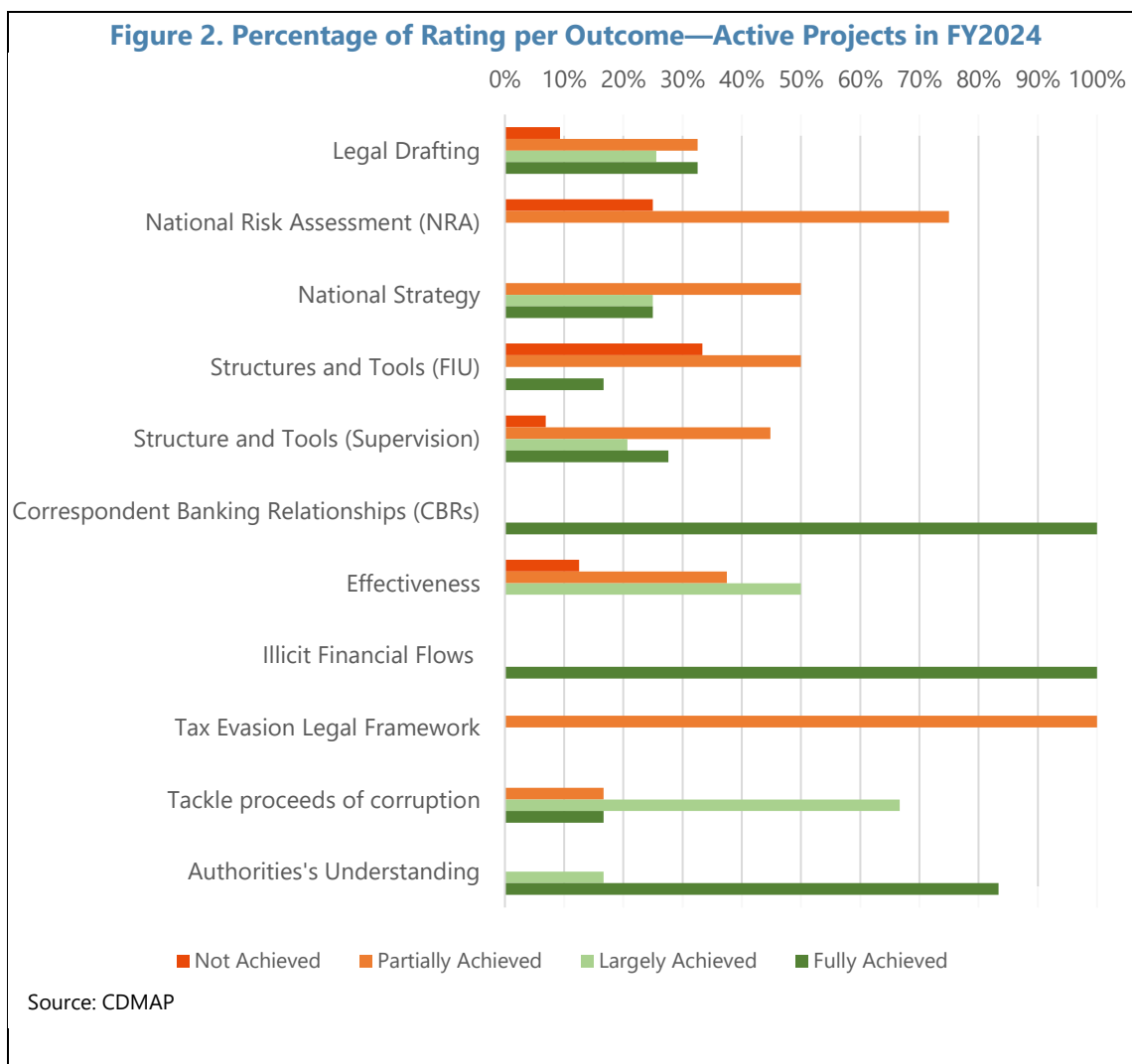
⁵ Outcomes are mostly related to legal framework, RBS, national strategy, and overall effectiveness of the framework.

Figure 1. Overview of Outcome Rating—Active Projects in 2024



Source: Capacity Development Management and Administration Program (CDMAP)

3. Several thematic projects with short term CD engagement were launched allowing the engagement with a large spectrum of countries. The significant increase of thematic projects compared to last year, from four to nine, show interest in targeted and short-term engagements. Initiating the new thematic projects required time to design and refine the CD tools, identify concrete demand from IMF members, and engage with relevant authorities to reach clearly determined outcomes. Projects can take up to one year to demonstrate progress. While some countries achieved concrete outcomes, it is still early in the process for some thematic projects to assess the outcomes for countries where staff initiated the CD engagement in this reporting year (AML and Corruption, Risk and Context, IFF, ICRG Countries).



Completed and Successful Projects Planned for Closure

1) *Middle East and North Africa (MENA) program (Multi-Countries)*

This project consisted mainly of conducting diagnostics of the effectiveness of the AML/CFT regimes of countries in the MENA region and providing advice to enhance their effectiveness; reviewing draft AML/CFT legislation and regulations; and assistance in all aspects of the preparation for the ME, including guidance to review and respond to draft mutual evaluation reports (MERs) submitted by the ME team. The project responds to several requests for CD to support countries' preparation for upcoming AML/CFT MEs in the MENA region and successfully provided CD during this reporting year to Iraq, Oman, and Djibouti focusing on priority areas identified based on the Fund's surveillance experience and the Middle East and North Africa Financial Action Task Force (MENAFATF) reports. The project will close during FY2025 as it has achieved its intended objectives of providing CD to the selected beneficiary countries in relation to the identified vulnerabilities required ahead of mutual evaluations.

Completed Single Country Projects with Concrete Results

2) *Bosnia and Herzegovina (Legal drafting)*

- This project consisted in assisting Bosnian authorities to strengthen the AML/CFT legal framework by ensuring that the recently adopted AML/CFT Law is further aligned with applicable international standards. The objectives of the CD were achieved with the enactment of the AML/CFT law. During this year, the CD project team conducted a legislative onsite mission and reviewed the final draft AML/CFT Law and provided a last set of written comments in the lead up to the passing of the law by the Parliament. The final draft was shared with the Council of Ministers at the end of 2023 and passed by the Parliament in February 2024. MONEYVAL is currently conducting the ME that is expected to be adopted before year end. The project was closed on April 30, 2024.

3) *Haiti (Legal drafting)*

- This project that started in 2022 is focused on aligning the AML/CFT legal and institutional framework to international standards, following Haiti's addition to the FATF list of jurisdictions under increased monitoring (grey list). During the current reporting year, the National Assembly passed the Law Bearing on the Organization and Functioning of 'Unité Centrale De Renseignements Financiers' (Central Financial Intelligence Unit). The project team provided comments on the draft law. In addition, staff monitored programs agreed between the Haiti government and the IMF included the passage of this law, along with the Decree repressing ML, TF, and proliferation financing (PF) as structural benchmarks⁶. The FATF's Joint Group of the America assessed in its October 2023 report the new AML/CFT law and commended the country's efforts to get the law passed. Haiti will seek re-ratings of such law's technical compliance with the FATF Recommendations at the June 2024 CFATF Plenary meetings.

4) *Jordan (Legal Drafting, National Strategy, and AML/CFT RBS)*

- The main objective of this project in Jordan was to enhance the AML/CFT legal and institutional framework and ensure it aligns with the FATF Recommendations and provide advice on the effective implementation of such Recommendations, following the addition of Jordan to the FATF list of jurisdictions under increased monitoring (grey list). Throughout the project, Jordan demonstrated significant progress in addressing the deficiencies identified in its action plan agreed with the FATF, particularly in addressing the identified legal deficiencies. Notable advancements included the establishment of a legal obligation for confiscating instrumentalities used or intended to be used in ML and the obligation to disclose physical cross-border transportation of currency and negotiable bearer instruments upon exiting Jordan. Additionally, the team provided advice on the implementation of the requirements for targeted financial sanctions (TFS) related to TF and PF. Progress in areas such as supervision, law enforcement, and beneficial ownership was slower and in response, the project team also made recommendations

⁶ As a result, the conditionality under the staff monitored program was met.

on how they could address a bit slower. In October 2023, Jordan was officially removed from FATF's grey list.

The project team collaborated with the EU Global Facility to avoid duplication of efforts and discussed their assistance on non-profit organizations (NPOs) and on requirements to undertake a VA and virtual asset service providers (VASPs) risk assessment.

5) *Moldova (IFF Analysis and Increasing AML/CFT Authorities' understanding of risks)*

- The project team assisted the National Bank of Moldova, the Service for Prevention and Combating Money Laundering (FIU), and the Tax Service in enhancing their approach to monitoring cross-border payments. A technical assistance report with recommendations and a workplan with the next steps was provided to the authorities. Notably, the project team shared the results of the financial flows analysis undertaken and identified areas of the country's AML/CFT regime that require enhancement to better address IFF risks. Moreover, the project team provided guidance on national and sectoral ML/TF risk assessments, emphasizing the importance of integrating these assessments into the AML/CFT supervision of financial and designated non-financial businesses and professions (DNFBP) sectors and bolstering the capacity of Moldova's financial intelligence system for handling cross-border and non-resident risks. Additionally, the project team helped the National Bank of Moldova refining the toolkit for monitoring cross-border payments, proposing further steps and technological advancements in transaction monitoring using tools like network analysis and machine learning. One of the main challenges in implementing this project was the inability to conduct some of the work using virtual missions, as tasks included evaluation of the software toolkit available to the National Bank of Moldova and discussing potentially sensitive findings of the financial flows analysis. The project supported the Moldovan authorities in implementing their AML/CFT commitment under the IMF Extended Credit Facility (ECF) agreement. Through these activities, Moldova has strengthened its ability to prioritize international cooperation through a comprehensive review of cross-border financial flows, and data on financial flows in and out of the country is gathered and analyzed effectively.

6) *Tajikistan (legal drafting, AML/CFT RBS, and correspondent banking relationships (CBRs))*

- Over the course of the CD project from October 2020 to June 2024, significant strides were made in strengthening Tajikistan's AML/CFT framework. Key accomplishments included the support for the development and enactment of a comprehensive new AML/CFT law in March 2023 aligned with FATF Recommendations, alongside support for crucial revisions to related decrees. Implementing regulations included the new Instruction on customer due diligence, and decrees related to the establishment of the permanent AML/CFT committee and the financial monitoring department (FMD), requirements to maintain statistics, new procedures for identifying high-risk countries. It also included the instruction related to mandatory reporting of specific types of transactions and the draft TFS framework. The enactment of the law garnered significant attention from the international donor community, notably the WB, which made it a condition for providing financing to Tajikistan. The project team also supported a

sectoral risk assessment (SRA) for Tajikistan's financial sector, through the preparation of data collection tools, support in analyzing the information submitted by the National Bank of Tajikistan for banks, and the delivery of a workshop to discuss the main findings (February 2023). The results of the SRA are also being detailed in a technical assistance report that will be shared with the authorities. Furthermore, the steps taken to improve the identification and understanding of ML/TF risks at the sectoral level helped in establishing an adequate RBS framework and alleviating pressures on CBRs. The project team coordinated closely with other CD providers, including the WB, Organization for Security and Co-operation in Europe, the International Finance Corporation, and Asian Development Bank.

Single Country Projects - Ongoing

4. There has been good progress in several ongoing single country projects during the reporting year. Descriptions of these are set out below.

1) Algeria (legal drafting, national risk assessment (NRA), and AML/CFT RBS)

- Under the RBS module, the project team is engaging with the Bank of Algeria (BoA), in a series of half-day virtual interactive sessions (seven so far), to deepen the understanding of ML/TF risks impacting the financial sector, along with questionnaires and reviews exchanged in between sessions. The analysis is progressing steadily, with strong engagement by the BoA's supervisory team. Supervisors are increasingly demonstrating a refined and detailed understanding of the ML/TF threats and vulnerabilities affecting the financial sector. This module provides the foundation for developing an RBS strategy and toolkit, including an enhanced risk assessment matrix, which will be developed after the completion of the sessions designed to improve the understanding of risks. The project team is also enhancing the regulatory framework for the supervision of financial institutions by providing input to a draft regulation and subsequent sectoral instructions for the various categories of financial institutions under BoA supervision. In parallel, the project team has prepared material for a series of weekly virtual guided discussions planned for second quarter and third quarter (Q2/Q3) 2024 with a range of relevant competent authorities, including law enforcement and prosecutorial authorities. These sessions will allow the authorities to exchange information on threats (sources and uses of criminal proceeds) relevant to the financial sector, to inform BoA's AML/CFT supervision strategy and help further refine the supervisory team's understanding of risks.

2) Bangladesh (legal drafting, and AML/CFT RBS)

- The project team provided support for the development of an upgraded AML/CFT supervisory tool for the offsite RBS of Bangladesh's 60+ banks. This tool was pilot tested on a group of banks in May 2023. Data obtained from this exercise was reviewed in November 2023, and several changes and refinements were made to calibrate the tool. Since then, the Bangladesh FIU (BFIU) and the AML/CFT supervisor of banks in Bangladesh have collected data from all the banks and are in the process of using the tool to generate a list of high-risk banks that will inform BFIU's onsite inspection work. This data was in a virtual mission that took place

in May 2024 after which it should be possible to close this project. Advice was provided on the AML/CFT Circular 26, that deals with preventive measures, and several changes were recommended in relation to some of the preventive measures, in order to achieve better compliance with the FATF Recommendations. The authorities have decided to ban dealing in virtual currencies. Authorities have not made policy decisions for the framework for other aspects of FATF Recommendation 15 such as dealing in VAs, safeguarding of VAs, and Initial Coin Offerings etc. The project team reviewed the Circular banning virtual currencies and provided advice on the shortcomings of the current framework for dealing with the ban of VAs.

3) Bhutan (NRA)

- The project team has been working on updating the relevant NRA data collection and perception surveys that will be needed to update Bhutan's NRA and work related to the development of the new modules on risk-assessment namely for NPOs, VA/VASPs, legal persons and arrangements, and PF is ongoing. To date and with Fund support, the authorities have provided statistics and responded to perception surveys related to the threats and vulnerabilities of the country's AML/CFT framework. An in-person mission took place in May 2024 and assisted the authorities in making a preliminary assessment of the main ML/TF threats and begin the work on assessing ML/TF vulnerabilities. Limited availability of Bhutan's staff resources, particularly the attrition rate in the relevant stakeholder agencies could constrain the project's ability to deliver the intended outcome planned under this project.

4) Botswana (AML/CFT RBS)

- Since the last reporting period, the project team continued to calibrate the offsite RBS tools for banks, bureaux de change, and electronic payment service providers (EPSP). To-date, all RBS tools developed with Fund support have been pilot tested multiple times and results generated provide both AML/CFT supervisory authorities, the Bank of Botswana (BoB) and Non-Bank Financial Institutions Regulatory Authority (NBFIRA) with the basis for developing institutional ML/TF risk profiles and plan risk-based onsite inspections. The BoB tools are ready for full implementation. The NBFIRA continues to calibrate the RBS tool for life insurance companies and recently started the process for developing similar RBS tools for Asset Managers and Micro-Credit Institutions. The BoB is working on the last revisions to the AML/CFT supervision manual, as recommended by the project team to identify areas where additional coverage of bureau de change and EPSP was required. The designed manual covers three sectors, mainly banking, bureaux de change, and EPSP. Once the final revisions are fully integrated, the manual will be ready for adoption and full implementation. Going forward, activities with BoB will focus on making the final calibrations and revisions to offsite and onsite RBS tools before full implementation. Upcoming activities for NBFIRA will focus on (i) finalizing the RBS tool for life insurance companies, (ii) reviewing the results of the pilot implementation of the RBS tool for asset managers; (iii) discussing the new RBS to micro-credit institutions; and (i) discussing the final revisions to the AML/CFT manual.

5) ***Egypt (AML/CFT RBS, Effectiveness)***

- In FY2024, the project team conducted an in-person mission in September 2023, to solidify the workplan, agree on the specific issues to be addressed under the CD project, and determine the mode of delivery. Broad agreement on the workplan was reached and the project team began delivering on the RBS module immediately following the September mission with the review of the Central Bank of Egypt's (CBE) AML/CFT regulations and CBE's offsite team's risk matrix and the onsite team's supervisory procedures. After further consultation with the law enforcement agencies, work on the effectiveness of criminal justice was agreed to be delivered in the context of workshops and training events. A first in-person mission of four days took place in May 2024 (FY2025). The mission objective was to train prosecutors responsible for handling ML investigations and prosecutions on the importance of parallel financial investigations and how to conduct them routinely and effectively. The mission also provided information on optimizing international cooperation for recovering and repatriating assets from abroad and pursuing criminal cases against legal entities. The project will need to be extended to meet objectives under individual outcomes.

6) ***Guatemala (AML/CFT RBS)***

- Virtual CD missions were delivered during October and December 2023, and an in-person CD mission was undertaken last February 2024, which assisted the supervision staff of the "Intendencia de Verificación Especial" (Guatemala's FIU) to make additional calibrations and revisions to the RBS tools developed for the sectors under the oversight of the FIU. The RBS tools incorporate a uniform methodology, approach, and process designed to calculate potential exposures to inherent ML/TF risk considering the FATF four risk factors—customers, products and services, geographic locations, and delivery channels used by financial institutions and DNFBPs. In addition, the tools incorporated elements to assess the quality and sufficiency of internal controls established to mitigate ML/TF risks identified. The tools are ready for full adoption and implementation following the incorporation of recommendations resulting from the February 2024 mission. In relation to the FIU module, the authorities have implemented the tools developed to facilitate the automatic risk rating of suspicious transaction reports (STRs), and the development of strategic analysis products have been refined to facilitate the use of this information by other AML/CFT stakeholders. Additional CD has been requested to address supervision of VASPs, further calibration to the RBS tool for banks, revisions to the intelligence reports, and development of additional strategic products. The draft AML/CFT law is still pending before Parliament.

7) ***Guyana (AML/CFT RBS)***

- CD efforts were concentrated on enhancing the authorities' understanding and practical skills in implementing effective AML/CFT RBS. Practical work on developing RBS tools was put on hold due to Guyana undergoing a ME, requiring the allocation of sufficient resources to the process. Training provided during this period emphasized three key areas within the project scope:
 - (i) ensuring and demonstrating effectiveness in understanding the ML/TF risk and context in

Guyana; (ii) Implementing AML/CFT RBS by the Bank of Guyana; and (iii) Implementing AML/CFT measures by financial and designated non-financial entities, along with enhancing transparency of beneficial ownership. Furthermore, assistance was extended to identify and advise on areas of deficiency where authorities could take corrective measures in time for the outcomes to be acknowledged in the ME process. Through these efforts, supervisors are better focusing resources into areas of greater risk, leading to more effective supervision of licensed and/or registered institutions.

8) Jamaica (AML/CFT RBS)

- Jamaica is set to be taken off the enhanced monitoring list by FATF in June, as it has met all the items under the action plan, including through the CD work provided. The project continues to support the Bank of Jamaica (BoJ) in refining its AML/CFT framework. Key achievements include the development and implementation of customized RBS analytical tools for deposit-taking institutions and “cambios”, including a risk matrix and an offsite questionnaire. These tools have been successfully tested across all banks and “cambios”, enhancing the BoJ’s ability to monitor and assess ML/TF risks effectively. Recently, the project’s focus has shifted to remittance institutions, where a new risk matrix was developed and piloted to generate institutional risk profiles and prioritize supervisory activities. Based on the outcomes of this pilot, the BoJ is currently refining the risk matrix and its analytical processes to further strengthen its supervisory capacity. The pilot exercise undertaken by the BoJ produced preliminary risk scores for institutions included in the exercise and gave insights into the most effective use of supervisory resource. Once this analysis is undertaken for all institutions, it will influence the design of supervisory plans and will be critical in supporting decisions about allocating supervisory resources commensurate with the risk across all institutions. The conditionality under the Fund lending program to Jamaica included structural reform related to the creation and operationalization of a beneficial ownership register, and commitments related to the monitoring of lawyers, accountants, and trust and company service providers. In relation to gatekeepers, Jamaica’s court reversed its earlier fundamental principle related to legal privilege allowing the imposition of AML/CFT preventive measures to these three sectors.

9) Namibia (legal drafting, AML/CFT RBS, and effectiveness)

- The CD project has significantly supported Namibia in enhancing its AML/CFT framework to align with FATF standards. Notably, the project team helped the authorities to pass amendments to over 16 pieces of legislation—all enacted—including Namibia’s Financial Intelligence Act (main AML/CFT law), Proceeds of Crimes Act, Promulgation Prevention and Combatting Terrorist and Proliferation Activities Act, Criminal Procedure Act, Companies Act, Trusts Administration Bill, Extradition Act, and the International Co-Operation in Criminal Matters Act. As a result, Namibia has been re-rated to Compliant with FATF Recommendations 5, 12, and 20, and Largely Compliant with Recommendations 6, 7, 8, 13, 15, 18, 22, 24, 25, 29, and 39 which represent important progress in addressing their technical compliance gaps. During the assessment period, an in-person mission was carried out in October 2023, to support the authorities with the drafting of their post observation period report. The project team also supported the

authorities during the FATF Plenary discussions in February 2024. Considering Namibia's important progress in addressing their technical compliance gaps and the ICRG action plan, the project team will assist Namibia in their efforts to increase the filing of beneficial ownership information and application of remedial measures through inspections and outreach. A second onsite mission was carried out at the end-April 2024, to discuss Namibia's priorities and next steps following the FATF grey listing. During the mission, the project team presented a high-level plan to the newly elected board of directors for Namibia's Financial Intelligence Centre (FIC), Namibia's FIU, and held strategic meetings with authorities to discuss the possible move of the AML/CFT supervisory function from FIC to the Bank of Namibia, that has more experienced AML/CFT supervisors and resources.

10) Paraguay (legal drafting, structures and tools (FIU), and AML/CFT RBS)

- During the assessment period, the project focused on adapting and testing RBS tools tailored for banks, securities intermediaries, insurance companies, savings and loan cooperatives, and certain DNFBPs. Upcoming missions will target the gaming and notarial services sectors. Work under the legal and FIU components recently started and will benefit from the findings and recommendations of the 2021 MER and updates to the NRA undertaken pursuant to CD provided by the Inter-American Development Bank (IDB). Identified deficiencies in the FIU's IT system, resources, skills, and expertise, severely impact its core intelligence functions; moreover, and substantial CD is needed to enhance the strategic analysis section of the FIU, currently in its early stages and lacking in strategic products essential for law enforcement and other authorities. The authorities are currently finalizing the update to the NRA which will provide the basis for further reforms to the legal and regulatory framework in addition to addressing the gaps identified in the recent evaluation, with the goal of bringing Paraguay's AML/CFT regime in line with the standards. The authorities are also preparing the first draft of reforms to the AML/CFT Law. The project team will review and provide customized comments to ensure consistency with the FATF standards. The aim of these activities is to ensure that supervisors are centering their resources on the areas of greatest risk and that Paraguay strengthens its financial intelligence system, thereby improving its ability to support AML/CFT investigations and international cooperation.

11) South Sudan (legal drafting, structures and tools (FIU), and AML/CFT RBS)

- During the assessment period, the project team recommended significant amendments of the country's 2012 AML Act and remotely supported several rounds of amendments, with a view to strengthen the country's AML/CFT legal framework in line with international standards. An in-person mission was carried out in October 2023 to deliver a workshop to the authorities covering a range of issues related to the requirements of the FATF Standards, leading to a robust authorities' knowledge of the Standards. In addition, the team met with Ministry of Justice officials responsible for drafting the bill to clarify key provisions and identify areas needing further refinements. Progress supported by staff also included several key outcomes including: South Sudan becoming a full member of the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG); the transfer of responsibility for receiving STRs from the Central

Bank to the FIU; and the implementation of three major international United Nations (UN) conventions namely the Convention Against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances, the International Convention for the Suppression of Terrorism, and the Convention Against Transnational Organized Crimes. Moreover, the draft AML/CFT Bill was submitted to the National Council of Ministers, and a completed NRA was finalized but not disseminated due to funding constraints. To help South Sudan exit the ICRG list and in line with the action plan adopted with the FATF, the project team will explore other priority CD areas once the law is enacted.

12) Suriname (legal drafting and AML/CFT RBS)

- During the assessment period, the project made significant progress following the enactment of the new AML/CFT law in November 2022, which was prepared under the support provided by the CD project. While the new law significantly improved Suriname's compliance with the FATF Recommendations, some deficiencies remained, causing the project team to recommend amendments to address these gaps. The recommendations were addressed by the authorities and the amendment to the law is expected to be presented to the National Assembly in the second quarter of 2024. Additionally, the project team supported revisions of related legislation to bring the legal framework in line with the 2022 AML/CFT Law, notably (i) a draft decree on preventive measures, (ii) the Banking and Credit System Supervision Act, (iii) the Insurance Supervision Act, (iv) the Capital Markets Act, (v) the Electronic Payments System Act, (vi) the Money Transfer Offices Supervision Act, (vii) the Gaming Supervision Control Act, (viii) draft directives for savings institutions and (ix) a draft directive developed by the Central Bank of Suriname (CBvS). Significant work was undertaken with CBvS and the Gaming Control Board (GCB) to strengthen AML/CFT supervision. For the CBvS, the project team provided feedback on a supervision manual, helped create a risk matrix framework, and adjusted an offsite questionnaire for better data collection. Similarly, for the GCB, the project team provided input on a strategy document, assisted in developing a risk matrix framework, and aligned an offsite self-assessment questionnaire with the matrix components and reviewed and offered suggestions for an AML/CFT supervision manual developed by the GCB.

13) Uganda (AML/CFT RBS)

- Uganda's removal from the FATF grey list in February 2024 reflects substantial advancements in its AML/CFT framework, attributed to focused interventions and CD. Throughout the reporting year, the CD project prioritized enhancing AML/CFT RBS, particularly in relation to money remittance and foreign exchange bureau service providers, and the application of supervisory sanctions. By May 2023, tailored risk-based tools for these sectors were developed and implemented, alongside a comprehensive review of the legal framework for supervisory sanctions for banks. Challenges were encountered in clarifying legal ambiguities, but extensive discussions with stakeholders led to recommendations for improving clarity and consistency. Collaborative efforts with the Bank of Uganda resulted in significant progress, including three onsite inspections of higher-risk banks, five assessments of forex bureaus and money remitters, and four follow-up examinations, leading to two enforcement actions on banks. Moving forward,

the project remains committed to supporting the improvement of Uganda's AML/CFT supervisory framework, focusing on implementing supervisory sanctions and addressing remaining areas of concern.

14) Ukraine (AML/CFT RBS)

- This project was largely suspended due to the war and resumed in the fall of 2023, with a focus on aiding the Financial Monitoring Department (FMD) of the National Bank of Ukraine (NBU) in updating its guidance on applying an RBA to AML/CFT measures for domestic politically exposed persons (PEPs). The authorities issued the updated guidance by the end of January 2024, as mandated by the amended AML/CFT 2023 Law. Additionally, as part of the ongoing IMF's Extended Fund Facility program, authorities have committed to updating the PEP guidance again by the end of August 2024 to align it further with international standards. The envisaged update will include incorporating the observations obtained during onsite inspections, notably by adding case examples based on inspection findings. An in-person mission was carried out in Vienna, Austria, in January 2024, to provide advice on improving the guidance. The recommendations were incorporated into the updated guidance issued by the NBU in late January 2024. A report detailing the project team's advice has been prepared and will be shared with the authorities. FMD updated its AML/CFT supervisory framework for banks, and further calibration is needed to allow better identification and mitigation of corruption-related ML risks in the banking sector in line with the 2023 amended AML/CFT law. Another mission is planned for July 2024 and will focus on implementing the observations from the onsite inspections. The project team faced significant challenges due to the unexpected outbreak of war, which impacted the authorities' priorities and resource allocation, resulting in delays. Going forward, the pace of CD delivery must be adjusted to the authorities' changing priorities. As a result, the project team is requesting an extension to the end of AML TF III. Meanwhile, given the establishment of a dedicated Ukraine CD Fund by the IMF, we will assess the feasibility of transferring this project for integration under the Ukraine CD Fund subject to the SC approval.

15) Vietnam (legal drafting, structures and tools (FIU), and AML/CFT RBS)

- The CD project was designed to focus on three key areas: (i) strengthening the AML/CFT legal and regulatory framework; (ii) developing and implementing an effective risk-based approach to AML/CFT supervision of banks, and (iii) enhancing the capacity and ability of the AML Department (AML/D), Vietnam's FIU. Progress is being made in relation to one of those three areas (RBS) but there is no traction in relation to the other two areas – which are proposed for suspension. **Legal Framework:** The project team has previously reviewed and provided advice on the amendments needed for the AML/CFT law, decree, and circulars. However, the authorities decided to ignore the advice and the law which was adopted does not meet the FATF standard – which is having ramifications for Vietnam within FATF's ICRG process[1]. During the reporting year, an in-person mission was carried out in September 2023 in collaboration with the Asia Pacific Group on Money Laundering (APG) to engage with AML/CFT stakeholders and garner political support to address the ICRG action plan and MER Recommendations. The project team also stressed the necessity for strong and sustained political commitment and well-supported

interagency coordination and cooperation. During a mission in April 2024, the SBV informed the project team that no further legal drafting assistance was needed. Accordingly, the legal drafting module is proposed to be suspended. **Risk-Based AML/CFT supervision:** Another mission was virtually carried out in February 2024[, in which, along] with the Supervisory Working Group established by the State Bank of Vietnam (SBV), the project team developed and fine-tuned tools for an RBA to supervision over banks, which were pilot tested for 10 banks. A further mission was carried out in April 2024 and good progress was made to further refine the offsite tools. Despite this progress, there is a lack of clarity on who will be responsible for AML/CFT supervision and decisions still need to be taken related to supervisory issues. Delays over these matters could also jeopardize how much progress can be made on the RBS issues. **FIU:** Work on the FIU module is proposed to be suspended as the authorities have not decided on an IT system for the FIU's core operations Work on the FIU module depends on the completion and installation of an IT system

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⁷ Vietnam received only one of 19 requested technical compliance ratings upgrades during the APG follow-up process and is thus failing to implement its ICRG action plan in relation to legal amendments.

system for the FIU's core operations. Work on the FIU module depends on the completion and installation of an IT system.

16) Yemen (legal drafting)

- During the reporting period, the draft findings of the gap analysis and comments on AML/CFT legislation were shared with authorities during a mission carried out in December 2023, facilitating discussions on upgrading Yemen's legal framework in line with international standards. The project team recommended amendments to existing laws and the development of new regulations on TFS, aligning with Yemen's TF risks and CFT needs. Based on discussions with the MENAFATF, the country's authorities foresee a comprehensive ME in 2025, contingent upon improved security conditions. Therefore, they plan to improve Yemen's AML/CFT legal framework ahead of the assessment based on the project team's advice. Awareness sessions to educate stakeholders on the necessity and advantages of the legal reforms will also be provided upon request.

Thematic Projects

5. Thematic projects increased by 125 percent, from four to nine during this reporting period, with 30 individual country engagements⁸. This increase reflects the thematic projects' importance and significant role in the delivery of targeted and short-term technical assistance engagements. The multi-country thematic projects are aimed at delivering CD that assists member countries in strengthening their AML/CFT frameworks in specific areas and increasing their resilience to combat financial integrity threats. The agility and targeted focus of these projects allow staff to respond promptly to CD needs while focusing on areas of high ML/TF risks. The projects also allow staff to gauge the political will and traction of authorities as well as the areas that require longer and deeper CD engagement. In those circumstances, programmatic CD engagement would be proposed.

⁸ 30 engagements covered 28 unique countries (Zambia and Namibia received engagements from two thematic projects). In addition, these include preliminary requests that will be accepted during the future reporting year.

Figure 3. Thematic Projects; Engagements and Country Requests

AML and Corruption	AML and Tax	Beneficial Ownership	CBDC	CFT Legal Reform	ICRG	IFF	Risk and Context	VA and VASP
Burundi	Mongolia	Sri Lanka	Dominican Republic	Ecuador	Cote D'Ivoire	Moldova	Palau	Namibia
Cameroon	Mauritius	Zambia	Lesotho	Senegal	Nepal	Curacao	Nigeria	Peru
Ghana			Namibia				Lesotho	
Haiti			Pakistan				Zambia	
Lebanon			Paraguay					
Malawi			Uganda					
Burkina Faso			Vietnam					

1) AML and Corruption

- The project consists of providing targeted insights and expertise on AML/CFT measures to support anti-corruption efforts, as part of the governance diagnostics carried out by the Fund staff on individual member countries. Governance diagnostic reports—a key tool in the IMF’s CD efforts—are in-depth, country-tailored assessments of corruption and governance vulnerabilities that draw heavily on local knowledge and expertise and provide prioritized and sequenced recommendation. The diagnostics focus on AML/CFT aims at prioritizing the AML measures that are the most relevant to detect and deter proceeds of corruption such as preventive measures (e.g., PEPs), beneficial ownership, criminal justice (e.g., parallel investigation of corruption and ML), and international cooperation and asset recovery. The project team will continue participating in the governance diagnostics, and as needed, will engage with recipient countries to assist them in implementing the key recommendations highlighted in the reports. Through the project, staff has successfully participated in a targeted manner in the governance diagnostics for Burundi, Cameroon, Ghana, Haiti, Lebanon, and Malawi. Preparations are underway for engaging with Burkina Faso. In addition, as part of the second phase of the project, dealing with the provision of technical assistance to solve the shortcomings identified in the diagnostic reports, staff is providing targeted CD on AML to support anti-corruption for Zambia and considering engagement with Sri Lanka. The governance diagnostics findings also help inform the potential engagements with countries to assist them in strengthening their AML measures to tackle proceeds of corruption. The modest budget of the project requires a highly disciplined and targeted approach and staff only participate in field-based missions for those countries that are considered a high priority as per the project’s funding proposal. Competing time resources has resulted in the project’s focus on specific and targeted issues based on risks and deficiencies identified.

2) **AML and Tax**

- The AML and Tax CD project has two intertwined objectives: (i) leveraging of AML measures to improve tax compliance, better tackle tax evasion, and contribute to domestic revenue mobilization; and (ii) furthering a whole-of-government approach to tackling illicit activities, such as tax evasion and money laundering. The conceptual framework for the project was set out in the IMF Working Paper entitled "[Leveraging Anti-money Laundering Measures to Improve Tax Compliance and Help Mobilize Domestic Revenues](#)" published in April 21, 2023. The project team has made efforts to develop a comprehensive training and technical assistance package (i.e., methodology for engaging with AML and tax stakeholders), in close collaboration with the Fund's Fiscal Affairs Department (FAD) to raise awareness about the project and ensure close collaboration while securing engagement with both AML and tax concerned agencies. Efforts were also taken to raise awareness about the CD project to relevant audiences throughout 2023. This included participation in the panel discussions on IFF during a conference organized by the WB in Abidjan, Côte D'Ivoire (June 2023), an AML and Tax Cooperation Conference organized by the WB, UN Office on Drugs and Crime, and African Tax Institute Conference in Vienna, Austria (July 2023), the Egmont Group meeting (July, 2023), the Beneficial Ownership, AML, and Tax Conference organized by the EU Global Facility, GAFILAT, and the IDB conference in Buenos Aires, Argentina (November 2023). As a result of these conference, CD requests were received from Mongolia and Mauritius. The project team started engaging with both countries to further clarify the CD expectations. Informal discussion with Mauritius lost momentum at the end of 2023 due to the overhaul of the AML/CFT legal framework and personnel changes in the FIU. The project team is planning an onsite visit to Mongolia which is expected in FY2025. The project team will resume the interaction with Mauritius (non-ODA) for which it will seek further endorsement from the donors.

3) **Transparency of Beneficial Ownership**

- Over this reporting period, the key achievements under this project—aimed at assisting countries in establishing mechanisms for transparency of beneficial ownership under international standards—include (i) the development of a comprehensive training and technical assistance package, which has been delivered to over 90 participants from countries in the Asia and MENA regions, (ii) the development of model beneficial ownership legal provisions and beneficial ownership resources to support CD activities and (iii) targeted CD projects for Sri Lanka and Zambia. While there is considerable demand for CD in this area, changes to the FATF requirements for beneficial ownership transparency are relatively recent and countries are at the starting point in establishing beneficial ownership registries resulting in policy decisions and resource allocation and the CD to be provided being delayed. In addition, work in this area requires engagement with non-traditional AML/CFT stakeholders such as company registries, tax authorities and other entities who need awareness raising and support in better understanding the overall AML standards and FATF requirements. The project for Sri Lanka has reviewed and advised on amendments to the Companies Act to establish a beneficial ownership registry. The CD project for Zambia (commenced in November 2023) has conducted awareness raising

training to improve authorities' understanding of the revisions to the FATF recommendations and legal amendments that will be required to further bring their beneficial ownership framework in line with international standards.

4) **CBDC**

- The project team continues to develop and deepen its analysis of the financial integrity implications of CBDCs, including an assessment of how the FATF Recommendations would likely be applied in the context of a CBDC arrangement. The project team continues to participate in a Fund initiative to publish a CBDC Handbook envisioned to be developed over the next four to five years and intended to guide central banks exploring CBDCs). The project team's main contribution will be a fintech note on the financial integrity implications of CBDCs. The project team began work on this note in FY2024 and the note will be published in early 2025 and be included as a chapter of the Fund's CBDC Handbook in the fall of 2025. The project team continues to join in the direct bilateral delivery of CD (in an inter-departmental CD program) and participate in regional seminars. The project team continues to develop and refine presentation materials based on the analysis described above. Bilateral CD engagements during FY2024 include the Dominican Republic, Lesotho, Namibia, Pakistan, Paraguay, Uganda, and Vietnam. The project team was also involved in an African Training Institute's regional seminar. Requests for such engagements continue to be regularly received by the Fund and requests for LEG's involvement in the development of knowledge products are increasing.

The CBDC project is set to introduce a new diagnostics module aimed at assisting beneficiary countries in reviewing their legal, institutional and operational structures to support CBDC design. This module will offer policy and capacity-building advice to ensure compliance with the AML/CFT international standards and best practices, while fostering collaboration among stakeholders. The initiative is expected to enhance the understanding and readiness of countries for CBDC implementation, promoting secure and effective CBDC systems underpinned by robust legal and regulatory foundations.

5) **CFT Legal Reform**

- During the reporting period, the project team developed a comprehensive technical assistance and training toolkit that will be delivered during a week-long training course. The CD tools are based on the findings of the book on [Countering the Financing of Terrorism, Good Practices to Enhance Effectiveness](#). The training course will take place at the Kuwait's Middle East Center for Economics and Finance (CEF) in September 2024. It will include cases that will mirror real-life challenges, including asymmetrical information, legal challenges, time constraints, investigative hurdles, and the need for risk assessments to fully understand TF threats and vulnerabilities. The proposed training materials, CFT -related courses and their structure have been developed and presented in different fora, including at workshops with Interpol and with the MENAFATF Operational Experts Forum on Terrorist Financing.

The project is now moving towards specific country engagements. Ecuador has requested support to strengthen its TFS regime, but the engagement was delayed due to the current situation in the country and the dissolution of its Parliament in 2023. Under the new government, authorities have reconfirmed their interest in the CD and the team is discussing joint provision of such CD with support from the UN Counter Terrorism Executive Directorate. The inclusion of enactment of the AML/CFT law as a structural benchmark under Fund -supported lending programs proves to be highly useful to ensure traction and Ecuador's commitment to enhance the effectiveness of its AML/CFT framework. The project's relatively modest budget allocation also requires a highly strategic consideration of the CD engagements, and the need to leverage the facilities and support of other international organizations, particularly the UN. To leverage further CD coordination with the UN on CFT, the IMF joined at the staff level in May 2023 the United Nations [Global Counter-Terrorism Coordination Compact](#) at a High-Level event on "Enhancing global cooperation on countering the financing of terrorism⁹."

⁹ For more information, please refer to press release from May, 2023: [Joint Press Release – IMF Joins the United Nations Global Counter-Terrorism Coordination Compact](#).

6) **Countries under ICRG observation period**

- This project is aimed primarily at helping countries that request Fund assistance during their post-observation period once referred to the FATF's International Cooperation Review Group process.¹⁰ Assistance has been provided to three countries so far:

(i) (i) In Cote D'Ivoire, following the adoption of their MER in June 2023, the authorities started working on developing a national action plan to prioritize and implement the main priority and recommended actions from the MER. s. After receiving advice from the project team, the authorities substantially adjusted their action to include actions that were, more detailed and concrete with a stronger focus on outcomes before submitting it for adoption and presentation to other CD providers. The project team also provided legal drafting assistance on a set of draft laws/regulations. Overall, the authorities demonstrated very good traction with the project team.

(ii) For Nepal: At the invitation of the APG's Secretariat, the project team joined a Strategic Implementation Planning mission to Nepal. This CD mission took place in person in Kathmandu, Nepal, in February 2024. As part of this, the project team contributed to discussions on the prioritization of actions to address the recommendations of the 2023 MER and by assisting in the development of a strategic implementation plan. The project team also engaged in bilateral discussions with the authorities to scope potential areas for further CD. As a first step, work on the implementation of TFS requirements of the FATF Recommendations is underway and the project team will continue to explore the other priority areas for potential CD, provided authorities demonstrate positive traction.

(iii) In Nigeria: The project team prepared a detailed gap analysis of the current regulations for AML/CFT preventive measures for DNFBPs against the FATF Recommendations 22 and 23 that included detailed redrafting recommendations. The gap analysis was shared with the Special Control Unit Against Money Laundering (SCUML) but, despite several reminders, SCUML never followed to discuss the project team's findings and recommendations, demonstrating low traction from this agency. In addition, the project team prepared and delivered at the end of April 2024, a draft-guidance note on conducting market entry controls of DNFBPs self-regulated bodies and government licensing authorities. CD was also provided under the Risk and Context thematic project on data collection and management for AML purposes.

Going forward, discussions will take place to scope and start delivering CD activities with other potential eligible countries.

7) **IFF**

- The project team conducted financial integrity analysis of cross-border payments for Moldova using staff's preliminary the financial flows analysis methodology. The project team also

¹⁰ Note that some bilateral TA projects also deliver assistance to countries in the ICRG process (e.g., Namibia and the completed Jordan project).

presented possible analytical approaches and international experience, and as a result, the authorities launched the financial flows monitoring system in October 2023, which was the first in the region. At this stage the financial flows monitoring system allows the identification of unusual patterns of payments using 43 scenarios and banks exposed to elevated cross-border payments risks. The project team also assisted with development of an RBA to supervision of banks, assisting the National Bank of Moldova to develop an annual data collection return and institutional risk assessment methodology with a focus on identification of cross-border and non-resident ML risks.

The project team conducted a scoping mission in February 2024 to Curaçao (non-ODA), during which they presented and discussed the financial flows analysis for Curaçao and St. Martin and its ML/TF risk implications. The project team also conducted a diagnostic of the effectiveness of Curaçao's AML/CFT in identifying and mitigating cross-border ML risks and assessed its related CD needs. The authorities took onboard the project team's recommendations on financial integrity monitoring of cross-border wire transfers focusing on the illicit finance risk, the strengthening the RBA to AML/CFT supervision of the financial sector and the strengthening of the assessment of ML/TF risks on the national and sectoral levels. Currently, the discussions with the authorities are focused on finalization of the scoping report and a workplan for implementation of recommendations made. Prioritized assistance is focused on the establishment of a national mechanism to address IFF as was recommended by the staff.

As financial integrity monitoring of cross-border financial flows requires application of data analytics and relevant technical skills, some of the stakeholders do not have the required capacity to implement the team's recommendations. The program mitigated this risk by integrating experts from non-AML departments, primarily payments and financial stability experts, in CD delivery.

8) Risk and Context

- The project completed or achieved significant progress in eight out of 12 deliverables within its three components. Notably, the project team is currently supporting Palau with its NRA and assisting Nigeria in the strengthening its ML/TF risk data management framework. Furthermore, under the Palau project, the project team has begun simplifying the Fund's NRA tool by reviewing and simplifying processes to reduce the burden on authorities and identified measures that can reduce the data collection burden on authorities. Additionally, the project team is working with the developers of the IMF's Artificial Intelligence tool (AIDA) to use AIDA to generate new ML/TF risk indicators from MERs and NRAs. At the same time, the team is working on developing a dashboard to present member countries' ML/TF risk indicators and other contextual information. The beta version is expected to be ready for internal use by Summer, 2024. The challenges faced in the project relate to the extensive time between agreeing on the CD project and commencing project activities, which delayed the ability to start delivering against the core pillars of the project. The project team aims to finalize Palau's NRA and improve Nigeria's data framework by the end of 2024. Additionally, the risk and context dashboard and the AI model are expected to be completed by the end of 2024, which will help

integrate new ML/TF indicators into the IMF NRA tool by early 2025. The project team also seeks to expand CD to other interested countries and has engaged with Lesotho and Zambia but will stagger delivery of CD to avoid overcommitment and possible resourcing challenges.

9) *VA and VASP*

- The project – intended for helping the countries upgrade their legal framework, provide training, and TA on RBS for VASPs- delivered bilateral and regional training events (involving four days of interactive lectures and discussion, or more targeted coverage of specific topics) to hundreds of country participants across the Asia and Pacific, MENA, Sub-Saharan Africa, and Caribbean regions. Most recently, in 2024, training events covered the Caucasus, Central Asia, and Mongolia Regional Capacity Development Center, and the South Asia Regional Training and Technical Assistance Center on AML/CFT considerations related to VAs and VASPs as well as legal drafting assistance (Namibia, 2023) and bilateral projects (with recent requests in 2024, from Peru and Samoa). Following these successful events, the project team commenced the development of supervisory tools for the AML/CFT supervision of VASPs. After the development of the draft Supervisory Risk Assessment Methodology (“Methodology”) for the VASP sector in November 2023, the project team held an experts’ roundtable (November 29–30, 2023) in Abu Dhabi to seek feedback from AML/CFT supervisors on the methodology and identify areas in VASP supervision where IMF CD would be useful.

Multi-Country Projects

6. Multi-country projects—the projects for selected Pacific Islands and MENA countries (see above under completed projects for further information)—have been an effective instrument for regional CD delivery for countries facing similar AML/CFT challenges.

1) *Pacific Island Countries: Solomon Islands and Tonga (legal drafting and AML/CFT RBS)*

- The project team is engaging with the authorities from Tonga and Solomon Islands focusing on reviewing and finalizing amendments to the AML/CFT legal framework to ensure that the law and regulations meet the requirements of the FATF Recommendations and provide a sound legal underpinning for the implementation of an effective risk-based AML/CFT supervisory framework.

The project team is also providing CD to the authorities in improving the implementation of RBA to AML/CFT supervision, with a focus on banks and money remittance service providers. Work on the development of risk based offsite supervisory tools has commenced and the tools pilot tested in Tonga and will be shortly in Solomon Islands. Work on onsite supervisory tools has also commenced, while CD engagement on onsite and offsite tools is augmented by RBS training. Challenges were faced particularly in relation to the lack of resources and absorption capacities as well as other competing priorities leading to some delays in the finalization of the AML/CFT laws and regulations and supervisory tools.

A&D Projects

7. A&D projects contribute to AML/CFT themes of international relevance, inform future CD delivery, and lead to the development of CD tools. With expertise in AML/CFT MEs and knowledge of the FATF Standards, staff have a wealth of experience that can inform the A&D projects it is undertaking or has completed. The A&D projects currently include the development of confiscation of the proceeds of crime technical notes and an e-learning course.

1) *Confiscation of the Proceeds of Crime (A&D)*

- The project team has finalized the structure and critical elements to be incorporated into the technical notes on domestic and cross-border confiscation. Preliminary drafts were prepared and expanded in line with the overall objectives of the project. The project team has also created an appendix of extracts of all MEs of jurisdictions assessed as Highly Effective or Substantially Effective on Immediate Outcome 8. These will form an important part of the notes in establishing global good practices drawn from country experiences, including special confiscatory and tracing tools and methods. The project team has developed a repository of case law relating to confiscation practices across the world which will form part of the notes. The project team has met with confiscation practitioners from the public and private sector to refine its findings. In addition, to facilitate the finalization of the notes and to get feedback from experts in the field, the project team is planning a reviewers' and experts roundtable in January 2025. After external and internal reviews, the technical notes will be finalized and published by end of 2025.

2) *E-learning (A&D)*

- The e-learning/online course, focusing on the area of AML/CFT RBS of financial institutions subject to the Core Principles, supports the vision and the institutional strategy endorsed by the Fund. The course takes a practical approach to developing robust and effective RBS frameworks, methodologies, and tools in line with the international standards for banking, securities, and insurance sectors. With slight delay due to the thorough review process, all four modules of the course have been fully developed, reviewed, and endorsed by LEG management and staff of the Institute for Capacity Development (ICD). All modules incorporate assessment questions and activities to validate the participants' understanding of the topics presented with emphasis on the FATF's four risk factors, as well as links to relevant online reference material and the websites and publications by related standard setters, including the FATF, Basel Committee on Banking Supervision, International Organization of Securities Commissions, and International Association of Insurance Supervisors, as applicable. The project moved to the Media/Production stage where scripts, storyboards, video recording and other audio and visual materials are being developed to enable video production. The course is anticipated to be launched during the second half of 2024 along with a technical note that will help prepare the participants for the online course.

RAs

8. The RAs¹¹ play an important role in supporting CD projects endorsed by the SC of the AML TF III and due to the strong CD demand in Africa, a RA for Francophone Africa has also been hired. RAs have supported CD projects including by providing assistance in relation to legal drafting, improving RBS frameworks, strengthening FIUs, training on VAs and VASPs, and assisting countries in the ME and ICRG processes.

AFR RA

- The RA assisted in CD missions to the ongoing Botswana project, aimed at supporting the BoB and NBFIRA with the development and implementation of a sound and effective RBA to AML/CFT supervision. The Namibia project is a new project that is focused on assisting the authorities with improving their AML/CFT frameworks and establishing their priorities post Namibia's ME. The RA participated in a mission aimed at supporting authorities' ongoing efforts to strengthen their AML/CFT regime and, particularly, during Namibia's "post observation period". The RA assisted the CD team in conducting desk reviews of various draft laws of South Sudan in 2023. The RA also assisted with the Uganda project that is focused on strengthening the AML/CFT supervision of the financial sector and development of various guidance notes on reporting. The RA participated in and covered the AML/CFT Section of the Governance Diagnostic for Ghana. The RA conducted an in-person follow-up Ghana mission on AML/CFT supervision during the period November 20 to 30, 2023, that included a Deutsche Gesellschaft für Internationale Zusammenarbeit-sponsored Supervisors' Workshop, followed by meetings on implementation of AML/CFT RBS tools developed with the Bank of Ghana (BoG), the National Insurance Commission, and the Securities and Exchange Commission. The MERs indicate that most countries in the region have weak AML/CFT regimes. Based on the technical compliance and effectiveness outcomes ratings of the MERs, the Inter-Governmental Action Group Against Money Laundering in West Africa and ESAAMLG have placed all the assessed member countries under the Enhanced Follow-Up Process. This has subsequently resulted in increased demand for CD from most countries in the region. It is challenging for the IMF to provide CD to all the countries in the region that requested assistance. Going forward, the AML/CFT program will rely on an additional RA for francophone Africa while the existing one will focus on Anglophone African countries. The two RAs will further strengthen collaboration with other CD providers (e.g., EU Global Facility) to deliver regional thematic trainings.

APD RA

- Ten in-person missions and several virtual missions were undertaken over the course of the year. The RA is the project manager for the Bangladesh project which is assisting the authorities to enhance its approach to AML/CFT RBS of the banking sector. The RA is also supporting a large project in Vietnam that is assisting the country to make its legal framework compliant with the international standards, upgrade the capacity and effectiveness of the FIU, and implement AML/CFT RBS. The AML TF project to support individual Pacific Island countries started last year,

¹¹ The current RAs are advisors of the Asia-Pacific region, Latin America and the Caribbean region, the MENA and Central Asia region and Sub-Saharan Africa region. A fifth RA for Francophone Africa was recruited in May 2024.

commencing with assistance to Tonga and Solomon Islands. This year's work started on the development of risk-based tools for the offsite supervision of banks and training on the implementation of AML/CFT RBS. In both countries the tools have been created and data has been obtained. The tools should be finalized by the end of this calendar year. The RA supported a project to further develop the capacity of Timor -Leste's FIU to undertake financial analysis and to disseminate useful intelligence to law enforcement agencies. However, this project had to be postponed as the FIU lacked the capacity to engage on the project while it was being reviewed by the APG for its MER. The RA has also supported the thematic project designed to assist countries who are in, or about to enter the FATF's ICRG process. The countries who might potentially receive assistance under this project in the Asia Pacific region include Nepal and Lao PDR.

The delivery of assistance has become much easier after the lift of international travel restrictions. However, virtual meetings continue to be useful for monitoring progress with the development of tools between missions. The implementation of projects for low income/low -capacity countries continue to be a challenge, particularly when there are competing demands for the time of potential project counterparts, such as preparing for MEs or addressing the requirements of FATF action plans.

MENA RA

- The RA (affiliated to the IMF Center in Beirut—METAC) is still based in Cairo-Egypt, given the current security situation in Lebanon. During the assessment period, the advisor supported the several CD projects in the MENA region. The RA is the project manager for a regional project supporting seven MENA countries—West Bank and Gaza, Algeria, Sudan, Iraq, Oman, Djibouti, and Somalia—in preparing for their AML/CFT MEs, mainly through legal drafting assistance and effectiveness diagnostics through mock exercises. Notably, the RA participated in in-person and virtual missions and desk-based reviews and organized two regional workshops in the United Arab Emirates and Oman to discuss AML/CFT supervision and the use of financial intelligence. In the Yemen project, he assisted in drafting amendments to align the country's legal framework with FATF Recommendations, participating in a United Arab Emirates mission to review these laws in December 2023. He also participated in an onsite mission under the Jordan project in July 2023, which contributed to the country's removal from the FATF grey list in October 2023. For the Tajikistan project, the Advisor helped draft and enact new AML/CFT legislation in March 2023 and contributed to refining the country's TFS mechanism. Under the Egypt project, the RA coordinated the discussions on the scope of the project with the Egyptian authorities. From November 2023 to March 2024, he engaged in videoconference sessions to boost BoA's AML/CFT RBS under the Algeria AML/CFT project. Additionally, in September 2023, he contributed to a workshop on the transparency of beneficial ownership at CEF in Kuwait. The Advisor also assisted in delivering a Joint Assessor Training Course in Cairo, Egypt, in collaboration with the FATF and MENAFATF (September 2023), and an Advanced Strategic Analysis Course in Dubai, organized by MENAFATF and Egmont Centre of FIU Excellence and Leadership (October 2023). He is also contributed to the drafting of the guidance on the

domestic frameworks for asset recovery within the Confiscation of Proceeds of Crime CD project, as well as supporting the activities of FIG's working groups on RBS, Financial Intelligence and the Law Enforcement, and Asset Recovery, and Risk and Context.

CD delivery to MENA countries faced significant challenges during the assessment year. Political changes, conflicts, and security conditions in Sudan and the West Bank and Gaza disrupted the authorities' daily operations and impeded the continuation of the technical assistance. Additionally, in countries preparing for a ME onsite visit, there were insufficient time and resources to devote to the CD activity and improve AML/CFT effectiveness. To overcome these obstacles, project teams prioritized early communication with beneficiary countries to align on priorities and maximize CD impact and emphasized the importance of in-person meetings to circumvent unreliable virtual connections. Furthermore, in FCS or low--capacity countries that are heavy users of CD, the CD delivery required extensive effort to tackle challenges related to lack of capacity and security constraints while coordinating with other CD partners.

WHD RA

- The RA continued managing the CD project that is assisting the BoJ to strengthen its RBA to AML/CFT supervision. During the assessment period, the project focused on assisting the BoJ to develop offsite analytical tools for the supervision of remittance institutions. The BoJ undertook a pilot exercise using an offsite tool developed under the project. The exercise produced preliminary risk scores for institutions included in the sample and gave valuable insights into the most effective use of supervisory resources.

The RA also continued to manage the CD project in Suriname. During the assessment period staff assisted the authorities to draft amendments to the November 2022 AML/CFT law and related regulations and sector legislation. The authorities plan to submit the amendments to the National Assembly by the second quarter of 2024. The Gaming Supervision Control Act was passed by the National Assembly in September 2023 and a CBvS AML/CFT Directive, which was prepared with staff's support, came into effect on March 20, 2024. Staff reviewed and provided comments on an AML/CFT manual being developed by the CBvS and the Gaming Control Board (GCB) and assisted each of these institutions to start the development of AML/CFT offsite supervision tools. The CBvS and the GCB started the process of modifying their offsite tools to make them more risk based.

The RA conducted a virtual workshop for representatives from the Central Bank of Belize, the Financial Supervision Commission, the FIU, and the Office of the Supervisor of Insurance and Private Pensions. The workshop was designed to assist these entities in their capacity as AML/CFT supervisors, to prepare for the assessment of their AML/CFT supervisory arrangements, as a component of a ME conducted by the Caribbean FATF.

As high-income countries are not considered priorities for the use of AML TF III resources, providing assistance to several countries in the region, including 14 countries in the Caribbean,

is not a priority. This significantly reduces the number of countries in the region to which CD is likely to be provided.

Projects to be Terminated or to Remain Suspended

a) Timor-Leste (legal drafting and structures and tools (FIU))

- Despite authorities' acknowledgment of the urgency to address AML/CFT issues, a lack of awareness among the country's leadership persisted regarding the potential consequences of a very negative ME and receiving an extensive action plan from a possible inclusion in the FATF's grey list. Moreover, the authorities indicated that the FIU's responsibilities regarding the APG AML/CFT ME have impacted on their ability to engage with CD providers, despite the confirmation that there were no other CD providers working with the authorities. The APG onsite ME took place September 2023. The MER will be discussed in September 2024 at the upcoming APG Plenary.

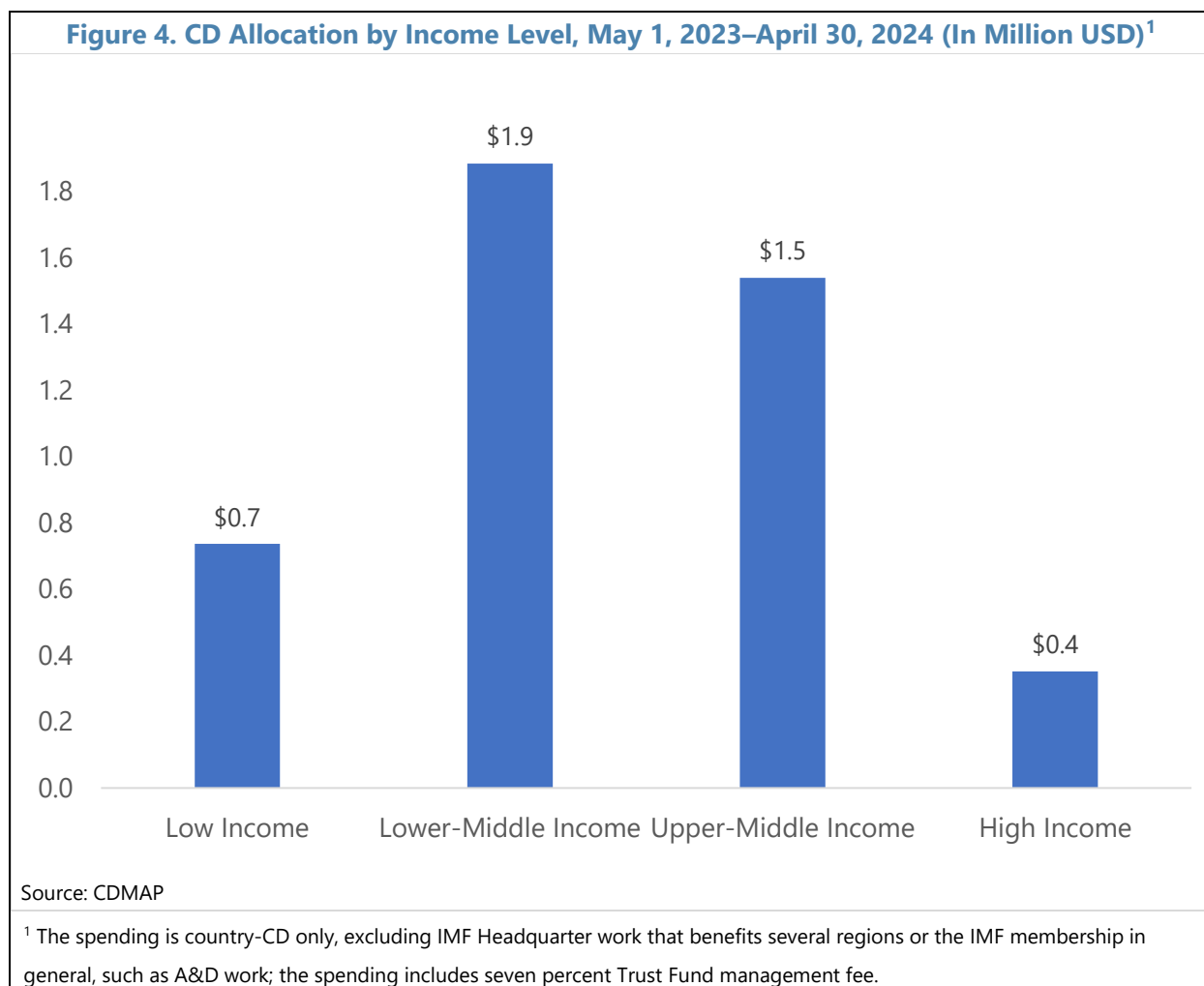
The project team encountered significant challenges primarily due to authorities' lack of response and limited resources. Despite multiple attempts to move forward, authorities were unresponsive, citing resource constraints within the FIU, which had only two staff members focusing on coordinating the APG ME. While a mission was eventually arranged in April 2023, involving meetings and training sessions, participation from other agencies was hindered by ongoing national elections and preparations for the APG ME, both constrained by limited resources. Following the mission, ongoing unresponsiveness and resource limitations prevented the implementation of project recommendations, leading to the proposal to close the project due to the inability to proceed without adequate engagement and resources from Timor-Leste authorities.

b) Myanmar (legal drafting and structures and tools (FIU))

Staff continues to monitor Myanmar's political situation and progress in strengthening its implementation of AML/CFT measures. Staff stand ready to resume CD delivery to the country once the political situation stabilizes and a recognized government is in place, but until further notice, it will remain suspended.

CD Requests and Allocation

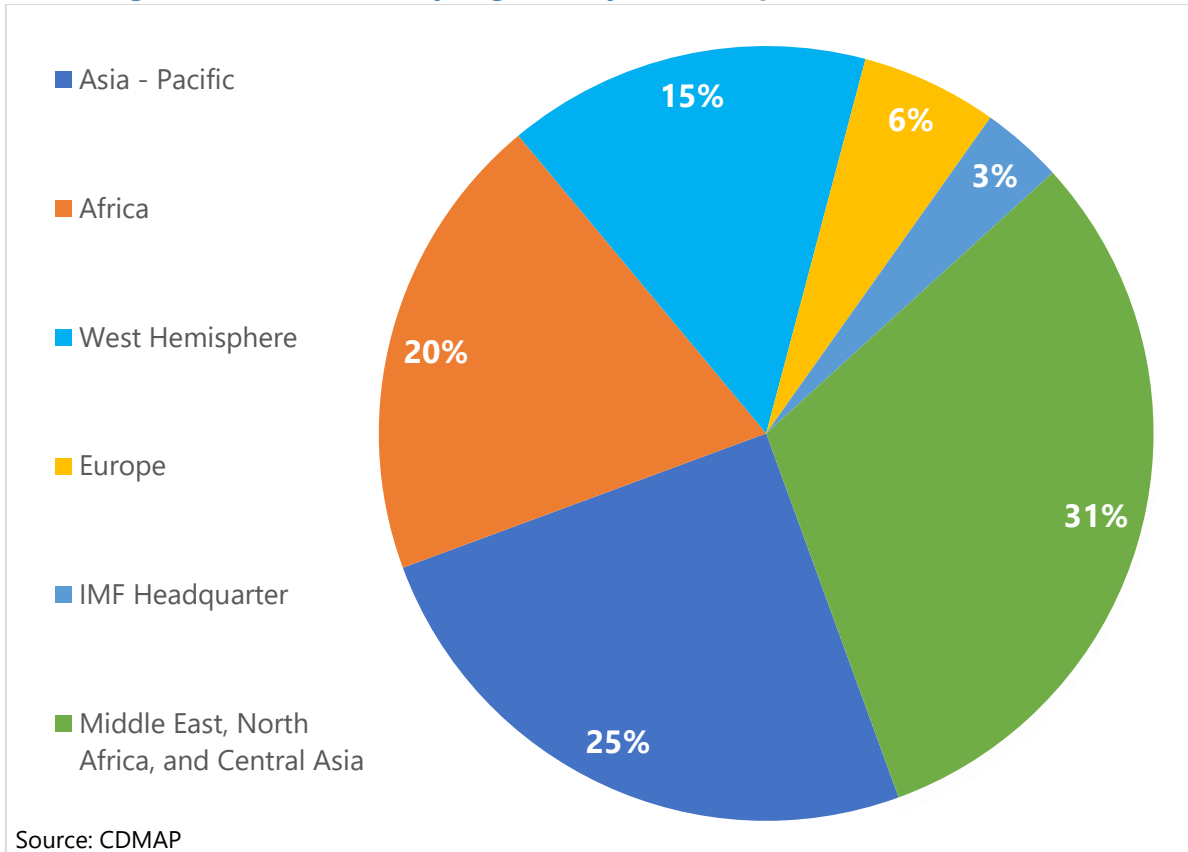
9. CD during year Four of the AML TF III covered all regions¹² and in line with the last year, was distributed mainly across lower and lower-middle income countries. In terms of geographical spread, CD engagement covered all regions of the world evenly to some extent, except for Europe, as most European countries are not eligible for assistance under the AML TF III. 59 percent of the allocation was concentrated on low and lower-middle income countries consistent with the SC’s preference for CD to focus more on lower-income countries. In line with engagement strategies and CD demand, African nations are the main recipients.



10. Demand for assistance covered all areas of available IMF CD assistance. The demands included requests for legal drafting, implementing/enhancing AML/CFT RBS frameworks, undertaking national risk and diagnostic assessments, establishing frameworks for transparency of beneficial ownership (TBO), strengthening FIUs, and training on VAs and supervision of VASPs.

¹² Figure 4 provides details on spending during the reporting year by income level of countries.

Figure 5. CD Allocation by Region, May 1, 2023–April 30, 2024 (In Percent¹)



Source: CDMAP

¹ This figure details the spending during the reporting year by region. The reference to IMF Headquarter depicts work that benefits several regions, or the IMF membership in general, such as A&D work.

IMF Region	Requests	List of Requesting Countries in Alphabetical Order
Africa (sub-Saharan Africa)	11	Algeria*, Angola^, Ethiopia, Cameroon^, Ghana^, Guinea-Bissau^, Kenya*, Mauritius^, Nigeria^, Senegal*, Zambia^
Asia-Pacific	6	Lao*, Maldives*, Mongolia*, Nepal^, Palau^, Samoa^
Middle East, North Africa, and Central Asia	4	Kuwait*, Oman^, Tunisia*, Turkmenistan*
Western Hemisphere (Latin America & The Caribbean)	4	Bolivia*, Curacao^, Ecuador*, Peru*
Europe	1	Ukraine*
TOTAL	25	
* Countries that presented expressions of interest to the AML TF III.		
^ Countries with which the AML TF III has engaged.		

B. Challenges and Lessons Learnt from CD Delivery in the Reporting Year

11. Several projects faced challenges such as limitations in resources, lack of traction, competing priorities and lack of awareness by policymakers on the recipients' side, geopolitical developments, and political divisions. The implementation of projects for low income/low-capacity countries continues to be a challenge, particularly when the time that potential project counterparts need to dedicate to the CD activities conflicts with other demands. This leads to the need for strong prioritization efforts to ensure high levels of knowledge absorption by the receiving authorities. For instance, in Bhutan, the limited availability of staff resources for the authorities, particularly with a high attrition rate in the relevant stakeholders, could constrain the project's ability to deliver the intended CD. For other projects aimed at countries referred to the FATF's grey list, it proved to be harder to scope areas for CD activities and to get traction from authorities in countries that have been subject to the FATF monitoring process for longer. Regarding beneficial ownership projects, while there is considerable demand for CD in this area, policy decisions and resource allocation within recipient countries are taking time. In Egypt, there were delays due to the lack of traction with some technical counterparts and concerns about disclosing sensitive information in the context of CD. This is particularly true as traction is longer to build without onsite presence, and as resources available to the project only allow for limited travel.

12.

13. Another challenge faced is the potential duplication of CD initiatives among various CD providers, a concern actively managed by the IMF through comprehensive and constant engagement. In addition to conducting rigorous needs assessments with country officials (including

to map TA delivery by others) and fostering frequent consultations with other CD providers, IMF CD teams utilize Regional Advisors (RAs) and leverage opportunities within FSRB meetings to enhance coordination efforts. These platforms facilitate discussions and strategic planning, ensuring alignment of objectives and optimizing resource allocation across different CD initiatives. By integrating these coordination engagements and regular exchange of information into our approach, we mitigate the risk of duplication of efforts and maximize the efficiency and impact of our CD interventions. This structured approach not only supports targeted capacity building but strengthens collaboration among stakeholders, enhancing our support to beneficiary countries.

14. In line with the Fund’s Capacity Development Strategy Concept (CDSR), project managers are leveraging hybrid delivery modalities along with support and joint efforts from other key stakeholders to maximize results. Blended delivery modalities proved to be useful for the preparation of CFT-related CD, in collaboration with the UN, which allows the sharing of know-how between both organizations and provides additional leverage to present to recipients the benefits of receiving CD. Tax-focused AML CD also benefitted from closed collaboration with the Fund’s FAD and the WB to raise awareness about the project. The AML/CFT courses designed under the e-learning project also had strong collaboration with the Fund’s ICD including the endorsement of the courses. On AML and corruption, the project teams conduct their missions jointly with the LEG division in charge of governance and corruption issues (LEGGA) and FAD.

15. The novel nature of some of the projects demands specialized knowledge from recipients, which is not always readily available, requiring protracted engagements. For example, on the thematic IFF project, since financial integrity monitoring of cross-border financial flows requires application of data analytics and relevant technical skills, some of the stakeholders do not have staff in the AML departments with the required pre-existing capacity to carry out the analytical work provided by the project advice. The project addressed this constraint by integrating experts from non-AML departments in the side of the recipient authorities, primarily payments and financial stability experts, in CD delivery.

C. Coordination with Donors, Other CD Providers, and Organizations

16. Frequent coordination with donors and other CD providers and international/regional organizations continues to be a key element of CD delivery under the AML TF III. To maximize the effectiveness of AML TF III projects and the best use of resources, the coordination maintained by Fund staff ensures the regular sharing of information to other relevant technical assistance providers about CD engagements and knowing what they are delivering while avoiding duplication of efforts. As part of the selection criteria for new projects, FIG staff conducts thorough due diligence and checks with relevant entities and other technical assistance providers (e.g., through FATF/FSRBs’ meetings and bilateral sharing of information) to understand if a country is receiving similar technical assistance before committing to a project. Furthermore, FIG is currently creating a platform for AML/CFT CD coordination that will be piloted to enhance the exchange of CD information among relevant technical assistance providers.

17. The reporting year also highlights the increase in cooperation with internal and external stakeholders along with its benefits. There was also strong collaboration between LEG and FAD for the delivery of relevant AML and tax technical assistance, and between the divisions in LEG that cover AML/CFT and governance and anticorruption for joint Governance Diagnostic missions. In addition, strong coordination has been kept with external stakeholders. For example, for Tajikistan, the enactment of a comprehensive AML/CFT law with CD support garnered significant attention from the international donor community, notably the WB, which made it a condition for providing financing to the country. In addition, Fund staff is coordinating with the UN the provision of joint CFT-related CD, after the Fund signed the UN Compact.

D. Financial Highlights

18. Pledges to the AML TF III have reached US\$30.7 million. Since June 2023 SC meeting, the United Kingdom has signed a Letter of Understanding for US\$1.2 million. The workplan has been reviewed in response to CD demand, accommodating the United Kingdom's new contribution easily. Staff will continue to carefully monitor implementation, CD requests and partners' financial support to meet the demand under the current phase while ensuring the availability of budgets for all active projects. Table 2 below shows the financial contributions from donor partners as of April 2023.

Table 2. Financial Contribution (In thousands of applicable currency, as of April 30, 2024)								
Agreement/Amendment Information					Contribution Received		Contribution Expected (U.S. Dollars)	
Partners	Signed Date ^{1/}	Currency	Amount	U.S. Dollars	Agreement Currency	U.S. Dollars	Requested	Future Contributions ^{2/}
Partners								
France	9/25/2020	EUR	815	950	815	933	-	-
Germany	1/5/2021	EUR	6,000	7,348	6,000	6,557	-	-
Japan	12/9/2020	USD	2,600	2,600	2,000	2,000	-	600
Korea	6/25/2021	USD	1,500	1,500	1,500	1,500	-	-
Luxembourg	10/1/2021	EUR	2,000	2,316	1,500	1,631	-	535
Netherlands	11/30/2020	USD	3,500	3,500	1,400	1,400	1,400	700
Qatar	6/11/2020	USD	2,000	2,000	2,000	2,000	-	-
Saudi Arabia	10/5/2020	USD	2,000	2,000	1,391	1,391	9	600
Switzerland	5/27/2020	CHF	5,000	5,180	5,000	5,399	-	-
United Kingdom	11/2/2023	GBP	1,000	1,215	500	619	625	-
Partners Total				28,609		23,430	2,034	2,435
Internal Transfers ^{3/}								
Canada				1,904	-	1,904	-	-
France				31	-	31	-	-
Korea				14	-	14	-	-
Luxembourg				59	-	59	-	-
Qatar				52	-	52	-	-
Saudi Arabia				11	-	11	-	-
Internal Transfers Total				2,072		2,072	-	-
Grand Total				30,680		25,502	2,034	2,435
Program Document Budget				29,454				
				1,226				
¹ May also refer to agreements that are under negotiation and approval date for CD Partnership agreements (e.g., flexible/umbrella agreements). ² The future contributions amount is set to zero for completed installments. ³ Refers to transfers from one program phase to another (e.g., phase rollovers).								

19. Cash flow remains satisfactory, with projections indicating positive balances until the end of Phase III (FY2026). Recent disbursements from donor-partners have bolstered liquidity. The easing of COVID-19-travel restrictions led to a resurgence in CD delivery in FY2023, prompting necessary adjustments to the work plan, which was approved by the SC. In FY2024, CD expenses rose by approximately 30 percent compared to FY2023, which is attributed to the stronger traction from recipient countries coupled with increase of in-person delivery, higher inflation, and heightened demand, as outlined in this document. Due to the demand for CDs exceeding current funding levels, the workplans for FY2025 and FY2026 have been adjusted to align with available resources. Tables 3 and 4 provide detailed cash flow projections and budget execution for each project.

Table 3. Cash Flow Statement (In Thousands of U.S. Dollars, as of April 30, 2024)

Partner	Actuals				Projections		Total
	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	
Contributions^{1/}	8,864	4,755	6,476	5,407	3,784	700	29,986
Canada	1,904						1,904
France	394	186	208	176			964
Germany	1,211		3,181	2,165			6,557
Japan ^{2/}	400	400	600	600	600		2,600
Korea		1,514					1,514
Luxembourg		561	585	545	551		2,242
Netherlands	700			700	1,400	700	3,500
Qatar	1,000	1,000	52				2,052
Saudi Arabia			800	602	600		2,002
Switzerland	3,254	1,095	1,050				5,399
United Kingdom				619	633		1,252
Total Interests	1	7	316	523			847
Total Cash Inflows	8,865	4,762	6,792	5,930	3,784	700	30,833
Total Expenses^{3/}	1,042	4,088	5,924	7,725	6,798	5,033	30,609
Cash Balance	7,823	8,498	9,383	7,588	4,574	242	225

¹ Contributions are net of transfers and return of funds.

² Japan's installment schedule is tentative

³ Expenses paid include the seven-percent trust fund management fee. Projected expenses are working budget for outer years till FY2026.

Table 4. Budget Execution Report (In Thousands of U.S. Dollars, as of April 30, 2024)

	Latest Approved	Expenses	Remaining Budget	Execution (%)
Direct TA	17,140	10,664	6,476	62%
Afghanistan, Islamic Republic	4	4		93%
Algeria	268	68	199	25%
Angola	160	150	10	93%
Bangladesh	395	379	16	96%
Bhutan	654	427	227	65%
Bosnia And Herzegovina	262	256	6	98%
Botswana	733	269	464	37%
Ecuador	215	210	5	98%
Egypt, Arab Republic Of	615	235	380	38%
Guatemala	201	131	70	65%
Guinea	340	329	11	97%
Guyana	623	146	476	23%
Haiti	372	139	233	37%
Indonesia	107	107		100%
Jamaica	531	230	301	43%
Jordan	428	307	121	72%
Moldova	133	129	4	97%
Myanmar, Union Of	278	3	274	1%
Namibia	482	406	75	84%
Pakistan	76	71	5	93%
Paraguay	852	345	506	41%
South Sudan	347	235	112	68%
Suriname	423	230	193	54%
Tajikistan	428	351	77	82%
Timor-Leste, Democratic Rep. Of	446	272	175	61%
Uganda	521	420	101	81%
Ukraine	525	267	258	51%
Vietnam	911	325	586	36%
Yemen, Republic Of	284	214	69	76%
Beneficial Ownership Procurement	172	10	162	6%
Beneficial Ownership Transparency	602	515	87	86%
CBDC	477	468	9	98%
COVID-19	290	290		100%
VA & VASP	845	523	323	62%
ECCB	29	28	1	98%
MENA Countries	1,038	1,090	-52	105%
Pacific Island Countries	536	290	245	54%
AML and Tax	134	86	48	64%
ICRG Countries	375	154	221	41%
CFT Legal Reform and Design	214	12	202	6%

AML and Corruption	161	89	72	55%
Risk and Context	321	192	129	60%
IFF	334	260	75	78%
Long-Term Advisors	9,494	5,587	3,049	65%
African Countries	2,069	1,386	682	67%
African Countries (Francophone)	1,177	1	1,176	0%
Asian Pacific Countries	2,531	1,899	632	75%
Middle East & Central Asia Countries	1,895	1,129	766	60%
Western Hemisphere Countries	1,822	1,172	651	64%
Online Training	858	514	344	60%
Research Programs	818	703	115	86%
CFT Handbook	155	155		100%
Confiscation Technical Notes	310	218	92	70%
TBO Entity Transparency	353	330	23	93%
Administrative / Governance Cost	1,553	1,293	260	83%
	29,862	18,761	11,101	63%
of which Trust Fund Management Fee	1,949	1,227	686	

¹ The remaining balance for closed projects is zeroed out upon project completion.

20. During the fourth year of operations, there has been a discernible increase in CD demand leading to a total increase in project budgets of US\$528,284. Notably, for the AML and Tax project, originally set at US\$107,000, a 25 percent budget increase of US\$26,750 was incorporated to accommodate expenses up to the end of FY2024. Similar increases of 25 percent were applied to projects in Bangladesh, Guatemala, and the IFF initiative, among others, to ensure sufficient funding for ongoing tasks and anticipated closures by the end of the calendar or fiscal year. Additionally, a 25 percent top-up was made for the Beneficial Ownership Transparency project, considering the cumulative demands from ongoing projects and potential new ones in the pipeline. Most of these increases can be attributed to a growing recognition of the importance of thematic projects in addressing specific developmental challenges across multiple countries. Consequently, more countries have been added to these thematic projects, amplifying the need for budgetary adjustments to accommodate the expanded scope and scale of activities. Despite this increase, all adjustments remained below 25 percent of the approved project budgets, thus falling within the IMF's internal approving authority in line with the operational guidelines of the thematic fund. This strategic allocation of resources underscores staff's commitment to meeting the evolving CD needs of beneficiary countries while ensuring adherence to established procedures and guidelines. These budget increases are detailed below.

Table 5. Internally Approved Budget Increases¹

Project	Original Project Limit	Increase Amount	Explanation
AML and Tax	US\$107,000	US\$26,750	A 25 percent budget increase was added to cover expenses towards the end of FY2024.
Bangladesh	US\$316,074	US\$79,018	A 25 percent budget increase was added to cover expenses towards early-FY2025.
Beneficiary Ownership Transparency	US\$481,500	US\$120,375	A 25 percent top-up was made for the Beneficial Ownership Thematic CD project, taking into account all ongoing and potential future projects.
Bosnia and Herzegovina	US\$251,573	US\$10,700	A budget increase of less than 25 percent was made to cover expenses towards the end of FY2024.
Bhutan	US\$523,153	US\$130,788	The budget adjustment was based on the current steady-state spending of three countries in FY2024, with the project already at a 92 percent execution rate by end-FY2024.
Guatemala	US\$161,009	US\$40,252	A 25 percent budget increase was implemented to ensure completion of remaining tasks by the end of the calendar year, including project closure.
MENA	US\$919,977	US\$53,525	A budget increase of less than 25 percent was made to cover expenses towards the end of FY2024.
IFF	US\$250,000	US\$66,875	A 25 percent budget increase was implemented to support the completion of the June 2024 mission, with the project already at an 87 percent execution rate by end-FY2024.
Total		US\$528,284	

¹ Includes seven percent trust fund management fee.

II. WORKPLAN FOR YEAR FIVE OF THE AML TF III

A. Workplan Outline

21. The workplan for the upcoming fiscal year continues to focus on deploying technical assistance and training to countries pursuant to the criteria for engagement in compliance with the international AML/CFT standards and practices. This involves tailored recommendations at both policy and operational levels, development of tools, expert guidance, and workshops to ensure that CD beneficiary countries can bolster their legal, regulatory, and operational frameworks against ML and TF. Beneficiary countries for projects are selected based on eight criteria outlined in the program document, aimed at optimizing the use of the AML TF III resources for maximum global impact in improving the AML/CFT system. These criteria consider the integration of CD activities with IMF surveillance, the country's compliance with international AML/CFT standards, the threat level of ML/TF, and the country's framework vulnerabilities. Additionally, selection factors in the level of national commitment, resource availability, alignment with other CD programs to avoid overlap, and consistency with the IMF's strategic priorities. The selection process also strives to maintain a global balance, with special emphasis on broadening geographical coverage, including small island states and fragile countries, ensuring a diverse set of beneficiaries from the IMF's regional groupings.

22. The current phase of the AML TF III is scheduled to continue for about two more years until April 2026. A substantial portion of the thematic fund's resources has already been allocated to ongoing projects, reflecting staff's commitment to their successful implementation and sustained impact. Consequently, the capacity for initiating new thematic projects in FY2025 will be limited. Staff is focusing on a select few new projects that align strategically with the Fund's overarching goals and promise significant contributions to its mission of enhancing global AML/CFT capacities. This approach ensures that staff maintains the quality and effectiveness of its efforts in combating ML, underlying crimes, and TF.

23. As in prior years, the workplan is to be read in conjunction with the Operational Guidelines of the AML TF and the Program Document for the AML TF III. These documents contain details of the manner and form of engagement with recipient countries, the SC, and other CD providers.

B. Workplan Financial Outline

24. Subject to SC's endorsement of the revisions of the workplan, the total workplan for AML TF III will amount to US\$30.6 million. The workplan for the fifth year (FY2025) of the AML TF III is in line with the strategic goals approved by the SC in December 2020 but reflects an increased scope of the CD delivery. The key elements presented at the end of 2020, such as the guiding principles for the CD, available modules, and the roles of the RAs, remain unchanged. The budget calculations for the total workplan, (which include the funding of the CD projects, funds to support RAs, and overall management costs) are presented in Tables 4 and 5. In FY2025, the budget

of the AML TF III will support 37 projects including 34 active projects¹³, some of which have transitioned from Phase II, three new proposals, as well as continued funding for the five RAs. On a more granular basis, the proposed workplan will include 19 country projects, one regional project, 10 thematic projects (covering 28 countries), five RAs, and two A&D projects. An overview of all projects is set out in Tables 5 and 6.

25. The fifth year (FY2025) workplan includes several key elements: three new proposals, budget increases for six ongoing projects and budget reallocations prompted by project completions, closures, merger, and termination. The three proposed projects consist of a thematic initiative on CD to support the strengthening of AML/CFT frameworks in countries that borrow from the Fund and two single country projects for Ethiopia and Turkmenistan. The proposed budget increases aim mainly to sustain and enhance the impact and scope of existing projects, and budget reallocations are proposed for five projects due to the completion, merger, or termination of these projects. The balances from these projects' accounts are proposed to be reallocated to optimize resource utilization across ongoing and new initiatives. Detailed budget information for the workplan is provided in Table 6. An overview of all the projects is set out in Table 8 below.

¹³ 11 projects have been closed, six projects are to be closed by end-FY2024 or early-FY2025, and one project will be merged to another existing project.

Table 6. Proposed Revisions to Workplan (As of end-May 2023; in Thousands of U.S. Dollars)

Description	Rationale	Approved Budget	Proposed Budget	Change (in USD) +/-	Change (in percent) +/-
Direct TA					
AML and Tax	Budget Increase	134	268	134	100%
AML and Corruption	Budget Increase	161	321	161	100%
Beneficial Ownership Transparency	Budget Increase	602	816	214	36%
CBDC	Budget Increase	477	638	161	34%
Pacific Island Countries	Budget Increase	536	707	171	36%
Illicit Financial Flows	Budget Increase	334	495	161	48%
MENA Countries ¹	Closing Project	1038	1090	52	5%
Myanmar	Budget Decrease	278	0	-278	-100%
Ethiopia	New Funding	0	161	161	100%
Support Conditionality	New Funding	0	214	214	100%
Turkmenistan	New Funding	0	161	161	100%
Beneficial Ownership Procurement	Closing Project ²	172	10	-162	-94%
Bosnia and Herzegovina	Closing Project	262	256	-6	-2%
Haiti	Closing Project	372	139	-233	-63%
Timor-Leste	Closing Project	446	280	-166	-37%
Subtotal		4,811	5,558	747	
<i>Of which Trust Fund Management Fee</i>		315	364	49	
¹ The budget increase is internally approved as less below 25 percent threshold to wrap up and close the project. ² The Beneficial Ownership Procurement project was merged with the Beneficial Ownership Transparency project, thus being closed going forward.					

Table 7. Proposed Budget Changes by Project (In Thousands of U.S. Dollars, as of April 30, 2024)

	Latest Approved	Budget Change	Proposed Budget	Fluctuation
Direct TA		535	535	100%
Ethiopia		161	161	100%
Turkmenistan		161	161	100%
Support Program Conditionality		214	214	100%
Direct TA	17,140	212	17,352	1%
Afghanistan, Islamic Republic	4		4	
Algeria	268		268	
Angola	160		160	
Bangladesh	395		395	

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Bhutan	654		654	
Bosnia And Herzegovina	262	-6	256	-2%
Botswana	733		733	
Ecuador	215		215	
Egypt, Arab Republic Of	615		615	
Guatemala	201		201	
Guinea	340		340	
Guyana	623		623	
Haiti	372	-233	139	-63%
Indonesia	107		107	
Jamaica	531		531	
Jordan	428		428	
Moldova	133		133	
Myanmar, Union Of	278	-274	3	-99%
Namibia	482		482	
Pakistan	76		76	
Paraguay	852		852	
South Sudan	347		347	
Suriname	423		423	
Tajikistan	428		428	
Timor-Leste, Democratic Rep. Of*	446	-166	280	-37%
Uganda	521		521	
Ukraine	525		525	
Vietnam	911		911	
Yemen, Republic Of	284		284	
Beneficial Ownership Procurement	172	-162	10	-94%
Beneficial Ownership Transparency	602	214	816	36%
CBDC	477	161	638	34%
COVID-19	290		290	
VA & VASP	845		845	
ECCB	29		29	
MENA Countries	1,038	52	1,090	5%
Pacific Island Countries	536	171	707	32%
AML and Tax	134	134	268	100%
ICRG Countries	375		375	
CFT Legal Reform and Design	214		214	
AML and Corruption	161	161	321	100%
Risk and Context	321		321	
Illicit Financial Flows	334	161	495	48%
Long-Term Advisors	9,494		9,494	0%
African Countries	2,069		2,069	
African Countries (Francophone)	1,177		1,177	
Asian Pacific Countries	2,531		2,531	
Middle East & Central Asia Countries	1,895		1,895	

Western Hemisphere Countries	1,822	1,822	
Online Training	858	858	0%
Research Programs	818	818	0%
CFT Handbook	155	155	
Confiscation Technical Notes	310	310	
TBO Entity Transparency	353	353	
Administrative / Governance Cost	1,553	1,553	0%
	29,862	747	30,609
of which Trust Fund Management Fee	1,949	49	2,002

Table 8. Overview of Ongoing and Proposed Projects

Projects from the AML TF II	Ongoing Projects from the AML TF III	Proposed New Projects	Closed Projects
Single-Country Projects <ul style="list-style-type: none"> • Botswana • Guatemala • Jordan • Ukraine 	Single-Country Projects <ul style="list-style-type: none"> • Algeria • Bangladesh* • Bosnia and Herzegovina* • Bhutan • Egypt • Guyana • Haiti* • Jamaica • Myanmar • Namibia • Paraguay • South Sudan • Suriname • Tajikistan* • Timor-Leste* • Uganda 	Single-Country Projects <ul style="list-style-type: none"> • Ethiopia • Turkmenistan 	Single-Country Projects <ul style="list-style-type: none"> • Afghanistan • Angola • Ecuador • Guinea • Indonesia • Moldova • Pakistan

	<ul style="list-style-type: none"> • Vietnam • Yemen 		
Multi-Country Projects	Multi-Country Projects <ul style="list-style-type: none"> • Pacific Island Countries Regional Project (Samoa, Solomon Islands, Tonga) • The MENA ME Preparation Project (Eligible countries are Oman, Lebanon, Algeria, Sudan, Iraq, Djibouti, West Bank and Gaza, and Somalia)* 	Multi-Country Projects	Multi-Country Projects <ul style="list-style-type: none"> • ECCU/ECCB
	Thematic Projects with direct CD to countries <ul style="list-style-type: none"> • AML Measures to Support the Fight Against Corruption (AML and Corruption) • AML Measures to Improve Tax Compliance and Help Tackle Tax Crimes (AML and Tax) • Beneficial Ownership and Transparency • Enhancing the AML/CFT Frameworks for Countries under FATF Scrutiny (ICRG Project) • CBDC • Enhancing CFT/TFS Regimes (CFT/TFS) • IFF • Risk and Context • VA & VASPs 	Thematic Projects with direct CD to countries <ul style="list-style-type: none"> • Support Fund-AML/CFT program conditionality 	Thematic Projects with direct CD to countries <ul style="list-style-type: none"> • COVID-19 • TBO Entity Transparency

<p>A&D Project</p> <ul style="list-style-type: none"> E-Learning course on risk-based AML/CFT and related technical note 	<p>A&D Project</p> <ul style="list-style-type: none"> Confiscation of the Proceeds of Crime Technical Notes 	<p>A&D Project</p>	<p>A&D Project</p> <ul style="list-style-type: none"> CFT Handbook
<p>Regional Advisors</p> <ul style="list-style-type: none"> Asia-Pacific (APD) Caribbean and Latin America (WHD) Sub-Saharan Africa (AFR1) 	<p>Regional Advisors</p> <ul style="list-style-type: none"> Middle East, North Africa, and Central Asia (MCD) Francophone Africa (AFR2) 		
<p>* Projects planned to be closed</p>			

26. No more than three new projects will be included in the fifth year workplan primarily due to the high volume of CD requests already being accommodated under thematic projects throughout the FY2024. This approach, which utilizes a thematic and modular structure, allows for the provision of assistance to multiple countries under a single project umbrella. This structure has enabled the prioritization of CD requests and the optimization of the remaining budget. The thematic projects are designed to support more than one country, thereby maximizing the reach and efficiency of CD efforts by leveraging the expertise of the CD team. This strategy not only facilitates a broader impact but also allows staff to focus on emerging and critical AML/CFT issues relevant to multiple countries. Consequently, several CD requests have been integrated into these new and existing thematic and multi-country projects, providing greater flexibility in addressing the varying needs of and responsiveness to different countries.

27. The resumption of field-based CD delivery is anticipated to progress; however, maintaining flexibility in budgeting and project planning will be crucial in FY2025 of the workplan. Ongoing security concerns in certain countries, along with the potential for emergencies obstructing travel, necessitate that staff remain adaptable in their budgeting and programming approaches. Both country authorities and the IMF have gained considerable experience in transitioning to virtual environments when required, which will support continuity and responsiveness in project delivery despite these challenges. This adaptability will ensure that projects can proceed effectively, even in the face of unforeseen disruptions.

Proposed Projects

28. Staff proposed to commence one thematic project on CD to support program conditionality and two single-country projects. The project summaries for the new projects are provided in Annex B and an overview is provided below:

CD to support swift implementation of IMF program conditionality—US\$214,000

CD to support swift implementation of AML/CFT improvements in countries borrowing from the Fund —US\$214,000

29. This proposed thematic project on CD aims to swiftly engage and support IMF member countries to strengthen their AML/CFT framework when they borrow from the Fund. Building on insights from the 2023 Review of Fund’s AML/CFT Strategy, this project will focus on enhancing the effectiveness of member countries’ AML/CFT frameworks and creating synergies across the IMF’s various workstreams, including CD and the use of Fund resources.

30. The project targets assisting with improvements to a country’s AML/CFT framework where these have been identified as critical to the success of an IMF lending program. Such improvements cover areas such as effectiveness enhancement, legal drafting, RBS, beneficial ownership, NRAs, and national strategy development, prioritizing topics to meet diverse financial integrity needs effectively. Beneficiary countries will be selected from the pool of IMF program countries and on the set of eight criteria as set out in the AML TF program document. These criteria include the integration of CD activities with IMF reforms under lending programs, compliance with international AML/CFT standards, and the country’s capacity and commitment levels.¹⁴

31. The project also aims to provide greater agility in responding to country needs with tailored, impactful engagements expected to yield meaningful, sustainable results. This initiative is particularly crucial as improvements to financial integrity has become increasingly significant in the context of IMF lending. During 2019 to 2023 there was a three-fold increase in the volume of financial integrity-related improvements agreed to by member countries when borrowing from the Fund. However, timely completion of those agreed improvements remains a challenge. This project, therefore, seeks to address capacity constraints and enhance swift engagement with member to ensure the timely implementation of AML/CFT reforms critical to achieving broader program objectives.

Turkmenistan – AML/CFT Risk- Based Supervision— US\$160,500

32. This proposed project, in response to a formal CD request for AML/CFT assistance by the Financial Monitoring Service at the Ministry of Finance and Economy of Turkmenistan, is aimed at strengthening risk-based AML/CFT supervision of high-risk financial institutions

¹⁴ Such commitment is secured through structural conditionality under countries’ memorandum of economic and financial policies.

under the Central Bank of Turkmenistan (CBT). It has a specific emphasis on improving understanding of ML/TF risks, inspection methodology, and application of supervisory sanctions. The project's rationale stems from the mutual evaluation report by the Eurasian Group on Combating Money Laundering and Financing of Terrorism, identifying major money laundering threats in Turkmenistan, particularly in tax crimes, corruption, and illicit drug trafficking. Real estate transactions are flagged as high-risk for laundering corruption proceeds. Given the predominant role of the banking sector in Turkmenistan's financial system, the project prioritizes risk-based AML/CFT supervision in banks, aiming to address identified deficiencies in customer identification, transaction monitoring, sanctions implementation, and internal controls. The project will coordinate with other AML/CFT capacity development providers to avoid duplication and explore potential future extensions to DNFBPs. Despite past technical assistance, Turkmenistan has not engaged in a single-country CD project on AML/CFT with the Thematic Fund in recent years, making this proposal timely and essential for addressing existing gaps in its AML/CFT regime.

Ethiopia – Effectiveness and training - US\$160,500

33. The proposed project, in response to a formal CD request for AML/CFT assistance by the National Bank of Ethiopia, is aimed at enhancing Ethiopia's AML/CFT framework, focusing on effectiveness in preparation for its 2025 Mutual Evaluation under the FATF's 5th Round Methodology. Building on successes from the MENA Assessment Preparation project, the project will conduct diagnostics and render policy advice and training to improve the authorities' preparedness in areas relating to RBS, financial intelligence dissemination, and stakeholder training. This project is particularly critical as Ethiopia, categorized under FCS, is facing unique challenges such as substantial ML/TF risks stemming from its informal financial sector, porous borders, and regional instability. The project aligns with the IMF's 2022 Strategy for FCS, which emphasizes strengthening regulatory frameworks and supervisory capacities to enhance financial integrity in such high-risk environments. By securing high-level commitments and linking CD to IMF program conditions, the project aims to strengthen Ethiopia's legal and institutional frameworks, ensuring they meet FATF effectiveness standards and contribute to broader regional stability and economic security.

Proposed Budget Increases

34. Staff proposes a budget increase in six projects, resulting in a total increase of US\$1,000,450¹⁵ to enhance such projects' scope and impact. Notably, the requests include US\$160,500 for the AML and Corruption project to continue and expand CD initiatives in multiple countries, reflecting the project's successful engagement and need for continued support. Similarly, the AML and Tax project seeks an increase of US\$133,750, driven by significant engagements such as ongoing projects in Mongolia and potential upcoming initiatives in Mauritius, highlighting IMF continued commitment to combating tax evasion and related money laundering. Additionally, the Beneficial Ownership Transparency project requires a US\$214,000 increase to address new technical

¹⁵ Include seven percent trust fund management fee.

assistance requests from various countries, ensuring we maintain high engagement levels and meet emerging needs effectively. Furthermore, the CBDC project has requested an additional US\$160,500 to deepen its engagement, particularly in countries that are significantly advancing in their exploration of CBDCs. This increase is crucial to provide specialized guidance on CBDC design and implementation. The IFF project also seeks a US\$160,500 increase to continue vital engagements, notably with Moldova and Curacao, and to prepare for potential new engagements based on scoping missions. Lastly, the Pacific Island project is requesting an increase of US\$171,200 to fund additional field missions and support activities in Samoa and Palau, ensuring continued CD in these critical regions. These budget increases are essential to sustain and enhance these projects, reflecting the Fund's proactive approach to adapting to global financial challenges and opportunities. Detailed information on these six budget increase requests is presented in Table 9 below.

Table 9. Budget Increase Requests¹

Project	Request for Budget Increase	Justifications
AML and Corruption (Current Approved Budget: US\$160,500)	US\$160,500	This budget request is based on a steady-state estimation derived from one year of expenses. As of now, the project has already committed 68 percent of its resources before the end of FY2024. The CD team has effectively engaged in Governance Diagnostics in a targeted manner for Burundi, Cameroon, Ghana, Haiti, Lebanon, and Malawi, and preparations are underway for Burkina Faso, which will begin in June 2024. For the rest of the fiscal year, there are plans for four more diagnostics: Liberia, Sierra Leone, Argentina, and Kenya which will likely take place in FY2025. Furthermore, in the ongoing second phase, the CD team is enhancing CD initiatives for Zambia and is exploring potential opportunities in Sri Lanka. The project is progressing successfully and is making full use of its capabilities, underscoring the need for increased budget allocation to sustain and expand these critical efforts.
AML and Tax (Current Approved Budget: US\$133,750 inclusive of 25 percent top-up)	US\$133,750	The request for a budget increase of US\$133,750 for this project is driven by the significant engagement the CD team has had with FAD and country officials in providing TA on using AML measures to fight tax evasion. The team has successfully commenced an active TA project with Mongolia and has upcoming discussions with Mauritania. Additionally, the team has developed tools based on insights from a recently published working paper. ² Over the next year, the CD team plans to continue its work in Mongolia, initiate a project in Mauritius (non-ODA) in collaboration with FAD, and respond to other incoming requests from various countries. The increase in budget is crucial to support these ongoing and expanding efforts.

<p>Beneficial Ownership Transparency</p> <p>(Current Approved Budget: US\$601,875 inclusive of 25 percent top-up)</p>	<p>US\$214,000</p>	<p>The budget request for US\$214,000 aims to maintain and enhance the current level of engagement in this project. This increase is necessary due to a growing number of technical assistance requests from countries including Lesotho, Benin (with a focus on beneficial ownership and real estate), Samoa, Nepal, Botswana, and ECCB. These requests are in various stages of processing and will be addressed based on specific needs, coordinated with other CD modules such as ICRG, risk, and context-specific modules. The plan includes direct CD delivery to approximately four countries per fiscal year. Moreover, the CD team anticipates a reduction in A&D component as all training materials and pilot beneficial ownership core modules have been finalized. However, some limited, ad hoc activities under the A&D module will continue to enhance internal capacity for CD delivery and support ongoing donor coordination efforts, such as the Africa Beneficial Ownership Transparency Network. This strategic adjustment ensures efficient use of resources while enhancing the impact of the project.</p>
<p>CBDC (Current Approved Budget: US\$477,220)</p>	<p>US\$160,500</p>	<p>To maintain current levels of engagement, the project requires a minimum of US\$147,660 annually for FY2025 and FY2026, which reflects the average expenditure observed in FY2022 and FY2023. Additionally, to support deeper engagement in select cases—particularly where countries have advanced significantly in their exploration of central bank digital currencies (CBDCs) and require detailed advice on specific design choices—a budget top -up of US\$160,500 for this fiscal year is necessary. Few countries (e.g., Nepal, Guatemala) expressed interest in this project for the next fiscal year but sequencing of engagement will be considered in light of existing country CD engagements.</p> <p>This increase in the budget is justified by two main factors:</p> <p>(i) The momentum around CBDC-related work is escalating across the IMF, indicating a growing relevance and need for specialized input.</p> <p>(ii) The anticipated publication of the financial integrity chapter in the Fund’s CBDC Handbook is expected to bolster AML/CFT TA and could lead to an increased demand for such assistance. This publication will provide valuable guidance that complements the expanding scope of CD projects, necessitating enhanced direct delivery capabilities to meet the evolving demands efficiently.</p>
<p>Illicit Financial Flows</p> <p>(Current Approved Budget: US\$334,375)</p>	<p>US\$160,500</p>	<p>The proposed budget increase is essential to sustain and enhance staff initiatives, specifically: (i) to continue its engagement with Moldova, especially to finalize the risk assessment of its financial sector, (ii) to meet the confirmed CD demands from Curacao, which emerged following staff’s successful scoping mission, and (iii) to prepare for potential</p>

		engagement with an additional country, currently unconfirmed, where staff plans to conduct a scoping/diagnostic mission. Depending on the outcomes of this mission, staff aims to initiate further engagement. This budget increase is critical to ensure that these projects, which are at various stages of development, receive the necessary support to achieve their objectives and deliver substantial impacts in these regions.
Pacific Islands (Project Limit: US\$535,528)	US\$171,200	The budget increase is requested to support CD activities with Samoa and Palau. The plan includes three additional field missions to these countries, supplemented by virtual missions and desk-based work. Given that the average cost for each mission is approximately US\$53,500, staff requests an additional US\$171,200 to fund these activities. This top-up will ensure staff can provide comprehensive support and maintain its commitment to developing financial integrity and capacity in these regions.
Total	US\$1,000,450	
<p>¹ Include seven percent trust fund management fee.</p> <p>² The working paper is available at this link: Leveraging anti-money laundering measures to improve tax compliance and help mobilize domestic revenues: <u>Leveraging Anti-money Laundering Measures to Improve Tax Compliance and Help Mobilize Domestic Revenues (imf.org)</u></p>		

35. Considering recent project completions, mergers, suspensions, and closures, significant budget adjustments are proposed to optimize the utilization of funds across ongoing and new initiatives. The project in Bosnia and Herzegovina was concluded successfully, releasing US\$6,463. It is proposed that the Beneficial Ownership Procurement project be merged with the Beneficial Ownership Transparency, freeing up to US\$161,634 for other purposes. The proposal also includes closing the Haiti project which would release US\$232,659. Due to the ongoing political instability in Myanmar, all CD activities were suspended and the entire project budget of US\$274,238 is proposed to be reallocated, with the possibility of revisiting resource allocation if conditions change. Finally, the Timor-Leste project is proposed for closure by FY2024 due to persistent challenges in engagement and resource constraints, with US\$165,714 being redirected to support other projects. These strategic reallocations ensure that resources are directed towards areas with the greatest potential for impact and progress, maintaining the commitment to effective and efficient project management. Detailed information on these budget reallocations is presented below.

Table 10. Budget Reduction due to Project Merging, Suspension and Closure¹

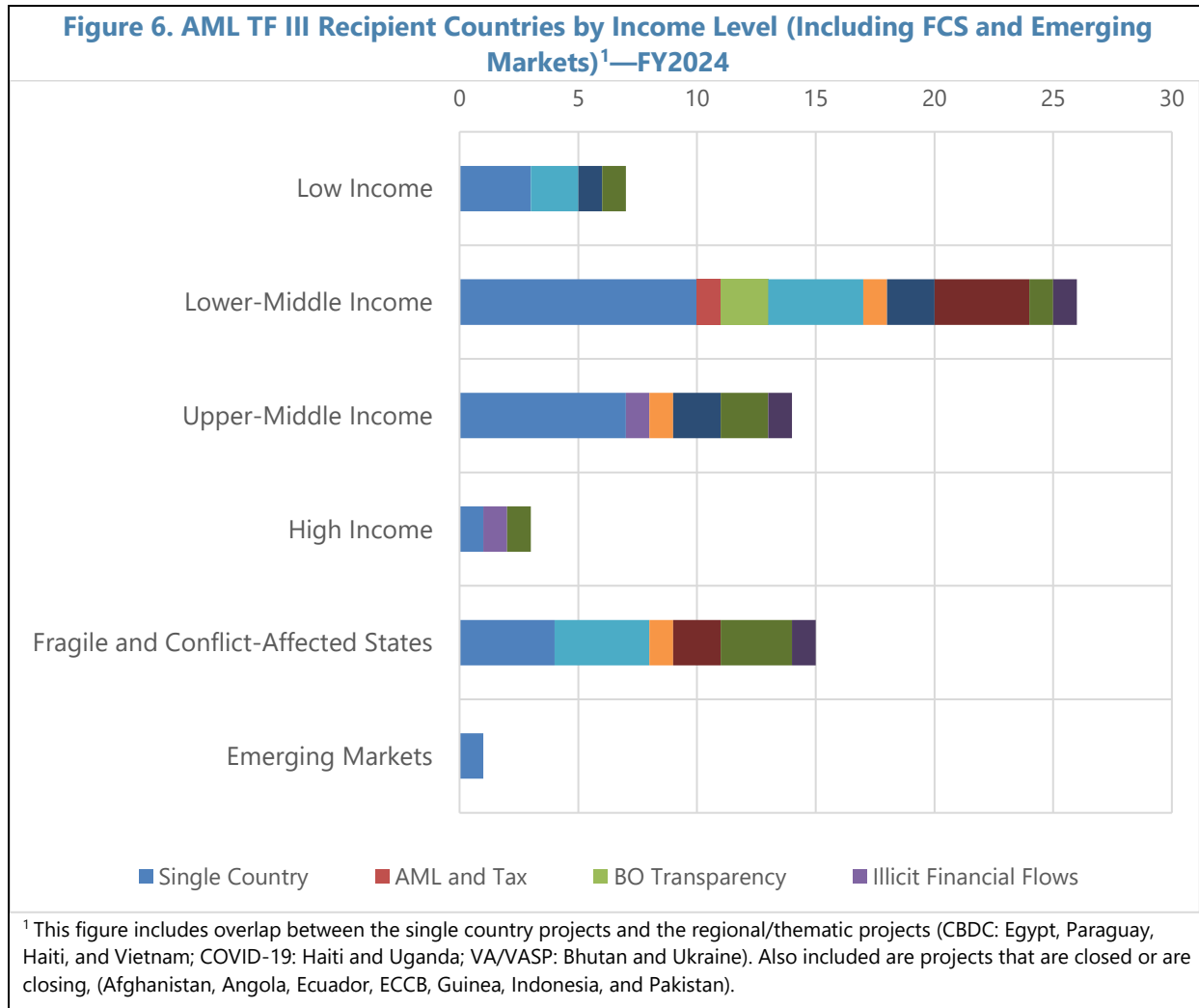
Project	Amounts Freed-Up and Available for Re-allocation	Explanation
Beneficial Ownership Procurement (Current Approved Budget: US\$171,754)	US\$161,634	The project is proposed to be merged with Beneficial Ownership Transparency. The remaining budget will be reallocated to other projects.
Bosnia and Herzegovina (Current Approved Budget: US\$262,273)	US\$6,463	The project was completed and closed by end-FY2024. The remaining budget will be reallocated to other projects.
Haiti (Current Approved Budget: US\$371,936)	US\$232,659	The project is proposed to be closed and the remaining budget will be reallocated to other projects.
Myanmar (Current Approved Budget: US\$277,177)	US\$274,238	Due to the ongoing political instability in Myanmar, the CD activities in the country have been suspended. Given that other CD requests are set to be covered by the Thematic Fund, staff is reallocating the project budget at this stage. Should CD activities in Myanmar resume during the remaining years of AML TF III, staff will consult with the SC to determine the best approach for mobilizing or reallocating resources, depending on the funding situation at that time.
Timor-Leste (Current Approved Budget: US\$446,190)	US\$165,714	It is proposed that this project be closed by FY2024 due to lack of traction. The remaining budget will be reallocated to other projects. Since the onsite ME visit by the APG commenced, the continued lack of response from the authorities, attributed to their limited resources, has hindered progress. The CD team has also faced challenges in arranging subsequent meetings to assist with the implementation of recommendations. Furthermore, given the ongoing ME process which required the authorities' attention, there have been no follow-up actions or signs that Timor-Leste possesses the necessary resources to proceed with the CD project. All efforts appear to be focused solely on completing the APG's assessment. Consequently, due to these ongoing challenges and the lack of engagement, the decision has been made to close the project.
Total	US\$840,708	

¹ Include seven percent trust fund management fee.

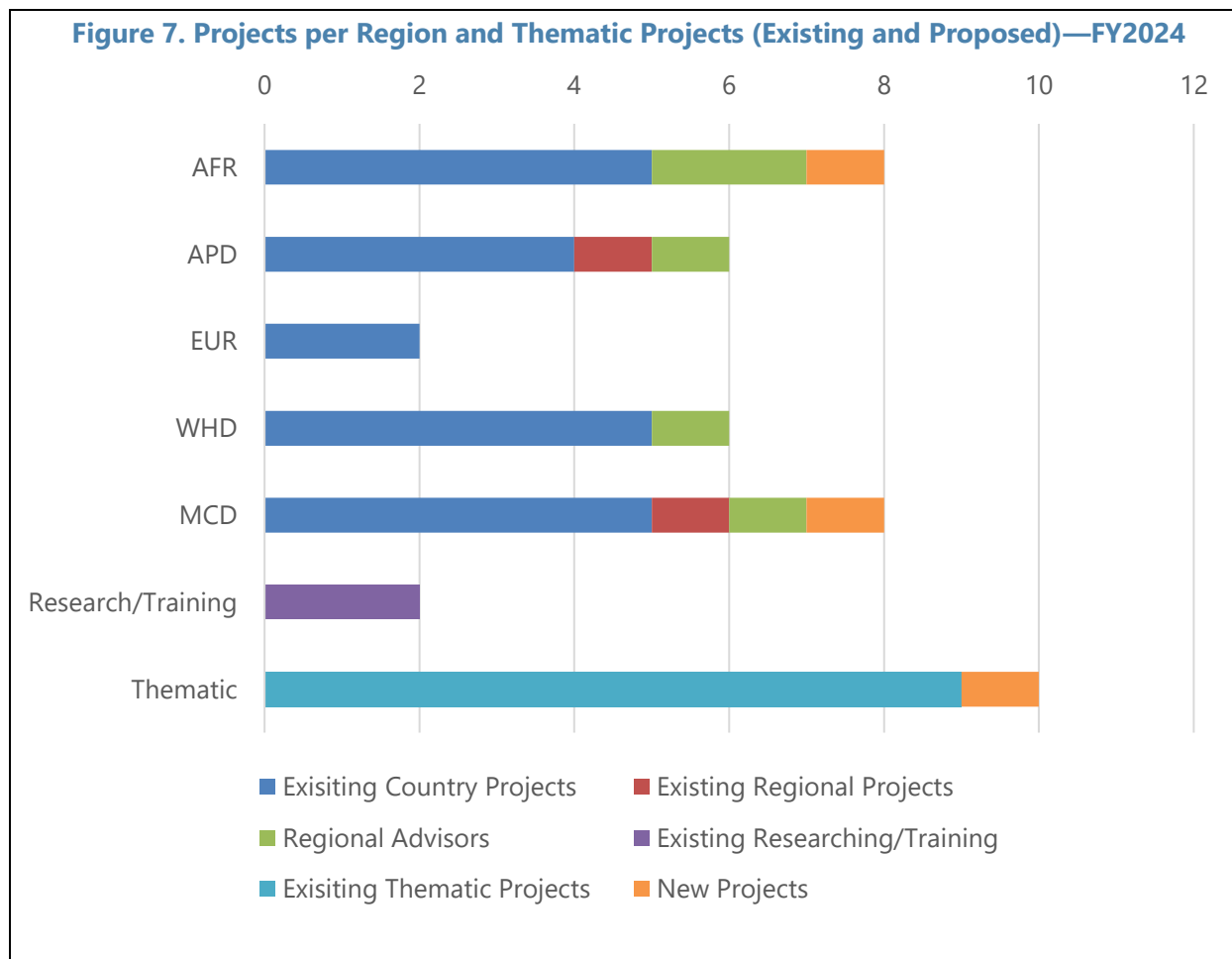
36. Proposed time extensions are requested for six projects to ensure the comprehensive fulfillment of their objectives. The following five projects need an extension to April 2026. The AML and Corruption project, originally scheduled to conclude by June 30, 2024, needs additional time for the consolidation of results and the implementation of more robust anticorruption measures. Similarly, for the AML and Tax project, initially set to end on July 31, 2024, the additional time is needed to enable further development of AML strategies that effectively combat tax evasion. Additionally, for the project in Namibia, initially due to conclude on November 20, 2024, this extension is crucial for reinforcing the capacity-building efforts and ensuring that the intended outcomes are deeply ingrained within the local frameworks. The Egypt project, initially due to conclude in March 2025 requires this extension to complete its CD delivery. Further, the Ukraine project will need an extension to complete its risk-based supervision work. The sixth project, Tajikistan, is requesting an extension until December 30, 2024, to accommodate the timing of country authorities to finalize legal drafting.

37. It is proposed to include a diagnostic module to the CBDC project as the project shifts into direct engagements with countries to assist them in exploring CBDC design features. The diagnostic module will help authorities that contemplate the issuance of CBDCs to identify gaps in their national legal frameworks and align them with AML/CFT international standards.

38. With the addition of the three proposed projects (including countries added to thematic projects during the year), CD recipients that will benefit from the AML TF III will still mostly hail from low-income or lower middle-income countries. This is in line with the SC's preferred country selection criterion to focus more on lower-income countries. Figure 6 shows a spread of initiatives across income classifications and areas such as AML/CFT modules, CBDC, and Beneficial Ownership Transparency, with the highest number of initiatives in low-income and emerging market categories, indicating targeted efforts in regions potentially at higher risk for financial irregularities. Notably, activities related to AML and Corruption are prevalent across almost all income groups, reflecting a universal priority. FCS countries also receive considerable attention, highlighting the focus on ML/TF risk assessment, regulatory compliance and effectiveness in these areas.



39. There continues to be, by and large, an even distribution of CD projects across all the regions except for Europe (EUR). Figure 7 presents a detailed view of the distribution of CD projects across various global regions. The Africa (AFR), Asia and Pacific (APD), Middle East and Central Asia (MCD) and Western Hemisphere (WHD) regions feature prominently with numerous existing country projects and RAs, indicating a targeted approach towards enhancing financial integrity and addressing specific vulnerabilities that these regions may face, including issues related to emerging market dynamics and compliance and effectiveness gaps. Conversely, the Europe (EUR) region shows a notably lower number of projects. This reduced activity can be partially attributed to the income selection of countries within the region. Europe predominantly consists of high-income countries, and the regulatory frameworks are relatively more well-established. These factors naturally reduce the urgency and frequency of interventions compared to lower-income regions where financial integrity vulnerabilities are more prevalent. This strategic allocation of resources reflects a prioritized approach based on regional needs and income levels, ensuring that projects are focused where they are most needed to improve global financial integrity efficiently.



C. External Evaluation of the AML/CFT Thematic Fund

40. The external evaluation of the AML/CFT Thematic Fund commenced following a competitive selection process. The Request for Proposals (RFP), published online and opened for any firm, garnered unprecedented interest. A total of 11 proposals were received. This increased number of proposals added complexity to the review and selection process, naturally extending the timeframe needed for a thorough evaluation. Post-finalization of the contracting process, an evaluation kick-off meeting took place in early June with members of LEG and Global Partnerships Division. As per next steps, the selected evaluator is currently working on the first deliverables under the evaluation, the Inception Note (IN), which will detail evaluator’s approach to the evaluation and a revised workplan. The IN will be circulated for review of the Evaluation Sub-Committee (ESC) and will be followed by engagements with donor-partners and beneficiaries. The ESC, comprising IMF staff from several departments and volunteer members of the Steering Committee, has been engaged since the design of the evaluation and will continue to provide strategic guidance throughout the evaluation.

D. Other AML/CFT and CD Developments at the IMF

41. Additional elements that support the Fund’s AML/CFT provision of CD include the 2023 Review of the Fund’s AML/CFT Strategy, the review of the Fund’s CD strategy, and the enhancement of the CD intake process. This section will explore the implementation of the AML/CFT strategy since its adoption in 2018, highlighting key lessons learned and insights from the recent 2023 strategic review. Secondly, the review of the IMF’s CD Strategy will be described. Lastly, this section concludes with a presentation of proposed enhancements to the CD intake process, aimed at streamlining the engagement and efficiency of the Fund’s interactions with member countries. The following description will provide an in-depth analysis based on the Fund’s latest findings and strategic adjustments moving forward.

2023 Review of the Fund’s AML/CFT Strategy

42. In 2023, the Executive Board endorsed the review of the Fund’s AML/CFT Strategy. The review took stock of the implementation of the Fund’s AML/CFT strategy adopted in 2018. The respective paper overviews the current approach towards ML/TF risks and context, followed by in-depth analysis of staff’s work under key Fund workstreams—surveillance, financial sector assessment programs (FSAPs), Fund-supported programs, AML/CFT assessments, and CD—based on a stocktaking from a wide range of stakeholders (i.e., authorities, Fund’s mission chiefs, and civil society). It also describes how AML/CFT issues have been integrated into other Fund policies and how staff have contributed to the global AML/CFT agenda through close coordination with other stakeholders to leverage synergies and avoid duplication of work.

Box 2. 2023 Review of Fund’s AML/CFT Strategy

For over 20 years, the IMF has recognized that effective AML/CFT frameworks, and financial integrity more broadly, are key to the soundness and stability of the financial sector. To prevent the negative macroeconomic implications of financial crimes on the broader economy of members, the Fund continues to integrate this work across all its core functions and in a broad set of Fund policies.

AML/CFT CD engagements with Fund membership continue to be guided by established criteria. The criteria for CD engagement have been developed considering the Fund’s expertise, and its overall strategic CD priorities to meet country demand and guide the allocation of scarce CD resources across regions. In November 2017, the Committee on Capacity Building included AML/CFT TA as a priority area. In following years, staff continued to be guided by broader Fund-CD wide developments, notably, the outcome of the Independent Evaluation office review of CD and Fund’s CD strategy review. The criteria generally include the level of ML/TF threats and the AML/CFT framework vulnerabilities (e.g., FATF listing); integration of CD activities with surveillance and programs; country ownership and absorption capacity; availability of resources (both financial and human); ensuring complementarity; and avoidance of duplication with other TA providers. In applying these criteria, staff seeks to implement the Fund’s priorities, achieve regional representation, and deliver high quality CD, subject to resource limitations, which at times constrains staff’s ability to meet certain CD demands.

In 2023, the Executive Board reviewed the 2023 AML/CFT Strategy. The review takes stock of the implementation of the Fund’s work on AML/CFT during the last five years, highlights lessons learned and sets out the way forward. The paper overviews the current approach towards ML/TF risks and context, followed by in-depth analysis of staff’s work under key Fund workstreams—surveillance, FSAPs,

Fund -supported programs, AML/CFT assessments, and CD—based on a stocktaking from a wide range of stakeholders. It also describes how AML/CFT issues have been integrated into other Fund policies and how staff has contributed to the global AML/CFT agenda through close coordination with other stakeholders to leverage synergies and avoid duplication of work.

In recent years, there has been an increase in regional, multi-country, and thematic projects. This approach resulted in the coverage of a broader range of countries and enhanced flexibility for targeted (e.g., Fintech/digital money-related topics) and shorter engagements designed to lead meaningful, measurable, and sustainable results. In addition, complementary research -related projects have allowed staff to analyze key topics (e.g., beneficial ownership and CFT) and produce materials to support countries with the implementation of effective AML/CFT regimes, along with the development of training programs. The increase in regional, multi country, and thematic CD projects has resulted in assistance to a broader range of countries and enhanced flexibility for targeted and more effective and impactful engagements.

Multi-country projects, such as the projects for selected Pacific Island countries on CBRs, MENA countries, and the Nordic-Baltic region, have been an effective instrument for regional CD delivery for countries facing similar AML/CFT issues. Thematic projects have also resulted in increasing the quality of assistance to countries through the internal development of materials and tools, in response to requests from countries for assistance on these topics.

Staff will continue combining bilateral, thematic, regional, and research and development projects and align AML/CFT CD engagements with the Fund's CD strategy. The broad catalogue of projects allows greater agility to rapidly respond to country needs and evolving risks.

Coordination across workstreams remains critical for success. Directors welcomed the CD activities delivered by staff to member countries and agreed that, in line with the Fund's CD strategy, staff should continue to provide comprehensive CD support with greater flexibility to respond to the evolving demand from the membership and deepen support for other Fund workstreams. They noted that a better understanding of ML/TF risks will allow staff to continue to further develop the CD program in line with evolving risks such as those related to digital money, laundering of the proceeds of corruption, tax evasion, and environmental crimes. Directors reiterated the need to continue to coordinate with other technical assistance providers to maximize efforts and avoid duplication of efforts. Staff will continue to provide comprehensive CD support with greater flexibility to respond to demands and to deepen support for other Fund workstreams, while aligning further AML/CFT CD engagements with the Fund's CD strategy and continuing to upgrade its CD tools to respond to emerging risks.

Staff is constantly assessing the impact of the different engagements and leveraging the synergies across all workstreams. Going forward the IMF's AML/CFT CD program continues to be integrated into surveillance and Fund-supported programs and has helped countries strengthen their AML/CFT frameworks. CD activities have been responsive to members' evolving risks with an increased focus on effectiveness. With the Fund's CD support, several member countries made significant reforms to exit or make progress towards exiting FATF closer monitoring and be removed from its grey list. Staff also provided CD to help countries implement AML/CFT conditionality and measures to ease CBR pressures.

Find more about the 2023 Review of the Fund's AML/CFT strategy [here](#). The strategy was published on a new landing page on AML/CFT that includes all relevant information about Fund's engagement on AML/CFT along with five background papers on (i) macroeconomic impact of illicit financial flows; (ii) AML/CFT risk-based supervision of banks- the impact of financial integrity failures on financial stability; (iii) relevance of AML/CFT to other Fund policies; (iv) the Fund's relation with FATF global network and Egmont Group of FIUs; (v) feedback from stakeholders.

IMF CD Strategy

43. In 2024, the Executive Board endorsed the review of the Fund’s CD strategy. In the period ahead, FIG staff will work on aligning the AML/CFT CD program with the overall institutional CD priorities of enhancing AML/CFT CD flexibility, integration, and tailoring. The external evaluation will also assist in this respect.

Box 3. The Fund’s CD Strategy

Every five years, the IMF undertakes a comprehensive review of its CD strategy. As a core function of the IMF, CD accounts for around one-third of our direct work with member countries and supports them to develop human capacity and build institutions for sound macroeconomic policies.

The strategic vision for the IMF’s CD is informed by its comparative advantages and the IMF’s surveillance priorities amid a changing global CD landscape, characterized by elevated uncertainties from higher debt, geopolitical tensions, climate change and digitalization. The reform proposals of the current review center around the SIX KEY AREAS:

- strengthening CD prioritization and integration,
- enhancing the funding model,
- strengthening monitoring and evaluation,
- modernizing modalities,
- increasing field presence, and
- reviewing our human resources policies.

After this review, the IMF will further fortify its CD to ensure it remains a highly effective and integrated pillar of IMF support to member countries. To summarize, our goals for the medium-term are:

Flexibility

To ensure we strike the right balance with programmatic and short-term CD, we will strengthen monitoring and reporting and strengthen our agility to factor in new priorities.

Integration

We will aim to improve coverage of CD in staff reports for countries benefiting from extensive CD along with stocktaking opportunities to strengthen capacity for integration with policy advice and IMF programs.

Tailoring

Tailoring has led to better results, as supported by external evaluations and staff analysis. It has also helped reinforce ownership throughout the project lifecycle. Modernizing modalities, including by leveraging technology, can further increase the efficiency, tailoring, and impact of CD. Moreover, tailoring to country circumstances and closer collaboration are key drivers of CD effectiveness.

Find more about the CDSR here: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2022/12/09/2023-Review-Of-The-Funds-Capacity-Development-Strategy-Concept-Note-526847>

Source: Fund staff analysis.

CD Communication

44. FIG, with support from the IMF's Creative unit, is creating a range of outreach and communication materials, including catalogues and brochures to communicate the AML/CFT CD program. The CD catalogue along with communication materials, intended as a digital publication, will offer a comprehensive overview of FIG's CD products and processes and will provide additional visibility for the donors. The brochure, a more concise version of the catalogue, will contain key CD information and be easily distributable at IMF events. Such material that will be posted on the newly created IMF landing page on AML/CFT will feature detailed information on the CD modules available, FIG contact details, a flowchart detailing the technical assistance request process, and additional supporting documents.

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