

19 September 2017

Original: English*

**Twenty-seventh Meeting of Heads of National
Drug Law Enforcement Agencies, Africa**

Hurghada, Egypt, 18-22 September 2017

Draft report*Rapporteur:* Wasilat Audu (Nigeria)**Addendum****Consideration of topics by working groups****Issue (a): Effective measures to counter money-laundering and illicit financial flows**

1. The working group held one meeting on 19 September 2017. In its consideration of the topic under review, the working group made the following observations:

(a) Existing formal mechanisms for international cooperation, including mutual legal assistance, are often time consuming, while there is insufficient informal cooperation and information exchange at national, regional and international levels;

(b) There are gaps in national legal frameworks designed to tackle the issues of illicit financial flows, money-laundering and drug trafficking;

(c) Law enforcement authorities in the region have limited human and financial resources, insufficient subject matter expertise and operational capacities in order to effectively tackle drug trafficking and associated illicit financial flows;

(d) Law enforcement authorities face difficulties in adapting to emerging criminal trends such as the use of virtual currencies for drug trade and money-laundering purposes;

(e) There is limited understanding of the financial profiles of drug trafficking syndicates, organized crime and terrorist groups, operating at the national and interregional levels;

(f) Hawala-type remittance systems, which are used both by legitimate and criminal customers, are not subject to anti-money-laundering legislation and regulations.

2. The working group drew up the following conclusions:

(a) Drug-related crimes continue to trigger substantial illicit financial flows, which, in turn, have cascading negative effects on States' economies;

* Available only in Arabic, English and French, which are the working languages of the subsidiary body.



(b) Adequate capacities and expertise are key prerequisites for the ability of law enforcement authorities to counteract to drug-related crimes, money-laundering and associated illicit financial flows. As a result of limited resources of the law enforcement authorities in the region, the number of parallel financial investigations conducted by relevant national authorities does not correspond to the extent of the problem;

(c) Financial investigations are key to conducting successful criminal investigations of all types of crime, including drug trafficking;

(d) The low level of awareness about specifics of money-laundering cases results in a low number of successful prosecutions, convictions as well as seizures and confiscations of proceeds of crime.

3. The working group adopted the following recommendations:

(a) Governments are encouraged to make use of the existing law enforcement mechanisms, both formal and informal, in order to enhance regional and international cooperation, and information exchange between law enforcement authorities and financial investigation units at national and international levels;

(b) Governments are encouraged to streamline cooperation and coordination at the national level through, for example, the establishment of national multi-agency mechanisms or task forces;

(c) Governments are encouraged to consider establishing specialized units, if required, to address emerging threats, such as use of darknet and virtual currencies for drug related money-laundering, and to closely cooperate with the private sector in this regard;

(d) Governments are encouraged to streamline criminal investigations by using both the “from money to crime” and “from crime to money approaches”;

(e) Governments are encouraged to improve their strategic and criminal analysis capacities, including criminal typologies research;

(f) Governments are encouraged to compile the financial profiles of the most significant threat actors in order to increase their financial disruption capacities.
