



THE ASSOCIATION OF ACCOUNTANCY BODIES IN WEST AFRICA (ABWA) HELD ITS INAUGURAL INTERNATIONAL PUBLIC SERVICE WEBINAR ON WEDNESDAY, MAY 3, 2023 ON THE TOPIC, “INTERNATIONAL STANDARDS ON COMBATING MONEY LAUNDERING AND THE FINANCING OF TERRORISM: THE PROFESSIONAL ACCOUNTANT’S CALL”

SUMMARY OF PROCEEDINGS

Preamble

The Association of Accountancy Bodies in West Africa organized its inaugural international public service Webinar on Wednesday, May 3, 2023 and it was attended by 120 participants drawn from 16 professional accountancy organizations operating in 15 jurisdictions in West Africa (Benin Republic, Burkina Faso, Cameroon, Cote d'Ivoire, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger Republic, Nigeria, Senegal, Sierra Leone, The Gambia and Togo). The theme of the Webinar, “**International Standards on Money Laundering and the Financing of Terrorism: the Professional Accountant’s Call,**” was chosen to draw the attention of professional accountants serving in the public, private and informal sectors to the evils of money laundering and terrorism financing and the dangers they pose to the stability of the local and international financial systems.

Money Laundering and Terrorism financing as bane of development

During webinar, money laundering was aptly defined as *the attempt to conceal or disguise the true origin, ownership, destination and purpose of proceeds of a crime*. This perspective sees money laundering as a fallout of corruption, greed, abuse of office, aiding and abetting the commission of a crime or fronting for persons in positions of authority, purchase of stolen goods, etc. These vices account for the under development of the West African subregion despite its rich natural and human resource endowment.

Empirically, corruption serves as a catalyst for many criminal activities including money laundering, terrorism and its financing with negative effects on governance, human

development and financial systems' stability. In several countries in the sub-region, corruption, especially that involving public authorities, is a major source of illegal enrichment and money laundering and this hinders the promotion of transparency, the security of lives and property. Indeed, proceeds of crime are increasingly being laundered through the financial system not only to *conceal or disguise their true origin, ownership, destination and purpose* but also, to seriously compromise the integrity of the financial system, imperil genuine investments and capital flows into the subregion. Since money Laundering and Terrorism financing are banes of economic development, they have to be checkmated through legislative and regulatory measures. In this fight, professional accountants have a critical role to play as financial resource managers, financial advisers, internal control experts, preparers of financial statements, auditors, tax advisers, regulators and compliance personnel. It was against this background that the Webinar set out to beam deserved searchlight on the responsibilities of professional accountants as envisaged by Financial Action Task Force (FATF) Recommendations in order to reposition them as conscience of their respective nations.

TECHNICAL SESSION

During the 150-minutes session, technical presentations were made by Dr. Umaru Muazu, Director, Policy and Research, Inter-Governmental Action Group Against Money Laundering (GIABA) and Mr. Scott Hanson, Director, Policy and Global Engagement, International Federation of Accountants (IFAC).

Their presentations brought to the fore the severity of the problem of money laundering and terrorism financing and how it prompted the international community, under the aegis of the Financial Action Task Force (FATF), to intensify its efforts to combat corruption and other sharp practices. The objective of initiative is to dispossess the perpetrators of the income derived from corrupt activities, through mechanisms for the prevention and repression of money laundering (ML) and terrorism financing (TF). They added that the trans-national mandate of the FATF was to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and the financing of proliferation, and other related threats to the integrity of the international financial system. It was in pursuance of this that the

FATF, according to them, issued Recommendations (Standards) which countries should implement in order to combat the ills of ML/TF. The FATF also enjoined countries to first identify, assess and understand the risks of money laundering and terrorist finance that they face, and then adopt appropriate measures to mitigate the risk. The effective fight against corruption, organized crime and terrorism requires the implementation of measures that can neutralize the wealth generated by these various criminal activities. Hence the development, deployment and use of FATF international standards to combat corruption as a strategy to curb money laundering and the financing of terrorism.

Thus, as gatekeepers, conscience of the society and major players in the financial system, professional accountants were enjoined to deploy their expertise to the fight against money laundering (ML) and counter terrorism financing (CTF) as part of their public interest mandate.

Major takeaways from the webinar

As professionals who operate Designated Non-Financial Businesses, professional accountants were enjoined to continue to put greater premium on AML/CTF risk management practices by:

- 1. Carrying Out Proper Customer/Client Due Diligence,***
- 2. Exercising Due Care in the Management of Client's Moneys, Securities or Other Assets;***
- 3. Keeping Of Proper Records;***
- 4. Following the money!***
- 5. Being extra careful when dealing with players in the informal sector dominated by cash transactions;***
- 6. Discouraging Cash Transactions in Buying and Selling Of Real Estate, Precious Metals And Stones;***
- 7. Reporting Suspicious Transactions by or on behalf of Our Clients;***
- 8. Determining real beneficial owner of resources/assets/ funds;***
- 9. Reinforcing internal control measures and embracing digitisation of operations to minimize errors;***

10. Encouraging their PAOs to develop comprehensive compliance supervision programme to protect the profession from criminal abuse;

11. Persuading their PAOs to engage policy makers and members

12. Planting, nurturing, sustaining and promoting the culture of compliance;

13. Conducting background checks on potential employees to avoid previously unidentified recruitment error;

14. Enhancing professional education on AML/CFT and institutionalising it across board.

The Webinar was declared open by Mr. Drissa Kone, ABWA President who was represented by Mr. Victor Tanwone, ABWA Vice President/LICPA President while Ms. Sena Dake, Chair, ABWA Technical Committee/President, ICAG moderated the session. The Executive Secretary, Dr. Abel Aig. Asein, gave both the welcome and closing remarks as well as the vote of thanks. Once again, ABWA expresses its profound appreciation to our distinguished resource persons Dr. Muazu Umaru, Director, Policy and Research, Inter-Governmental Action Group Against Money Laundering (GIABA) and Mr. Scott Hanson, Director, Policy and Global Engagement, IFAC for their rich insights and professional impartation. Copies of the presentation can be downloaded from ABWA Website: www.abwa.org.ng

ABOUT ABWA

The Association of Accountancy Bodies in West Africa (ABWA) was established in 1982. It is made up of 16 professional accountancy organisations (PAOs) drawn from 15 Anglophone, Francophone and Lusophone jurisdictions in West Africa and its vision is to be the voice of the Accountancy Profession in the subregion. It is an IFAC recognized Network Partner and the chief driver of the harmonization practices of the Accountancy Profession in the subregion which successfully started with the Accounting Technicians' Scheme, West Africa (ATSWA) in 1997.

Abel Aig. Asein

Executive Secretary, ABWA

