

**UNITED REPUBLIC OF TANZANIA  
MINISTRY OF FINANCE AND PLANNING**



**NATIONAL ANTI-MONEY LAUNDERING, COUNTER  
TERRORIST FINANCING AND COUNTER  
PROLIFERATION FINANCING STRATEGY  
2022/23 – 2026/27**

**JUNE 2022**

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## ACRONYMS

AML	- Anti-Money Laundering
AMLA	- Anti-Money Laundering Act, Cap. 423
AML/CTF/CPF	- Anti-Money Laundering, Counter Terrorist Financing and Counter Proliferation Financing
AMLPOCA	- Anti-Money Laundering and Proceeds of Crime Act, No. 10 of 2009
ATI	- Association of Tanzania Insurers
BoT	- Bank of Tanzania
BPRA	- Business and Property Registration Agency
BRELA	- Business Registration and Licensing Agency
CBDC	- Cross Border Declaration of Currency and Bearer Negotiable Instruments
CDD	- Customer Due Diligence
CFT	- Counter Financing of Terrorism (used interchangeably with CTF)
CMSA	- Capital Markets and Securities Authority
CPF	- Counter Proliferation Financing
CTF	- Counter Terrorist Financing (used interchangeably with CFT)
DCEA	- Drugs Control and Enforcement Authority
DNFBPs	- Designated Non-Financial Businesses and Professions
DPP	- Office of Director of Public Prosecutions Zanzibar
EAC	- East African Community
EOCCA	- Economic and Organized Crime Control Act, Cap.200
ESAAMLG	- Eastern and Southern Africa Anti Money Laundering Group
EWURA	- Energy and Water Utilities Regulatory Authority
FATF	- Financial Action Task Force
FINTECH	- Financial Technology
FIU	- Financial Intelligence Unit

FP	- Financing of Proliferation (long form: Financing of Proliferation of Weapons of Mass Destruction. FP is used interchangeably with PF)
FSRB	- FATF Styled Regional Body
FT	- Financing of Terrorist (used interchangeably with TF)
GBT	- Gaming Board of Tanzania
GDP	- Gross Domestic Product
ICRG	- International Cooperation Reviews Group
JoT	- Judicial of Tanzania
KYC	- Know Your Customer
LEA	- Law Enforcement Agency
MACMA	- Mutual Assistance in Criminal Matters Act, Cap. 254
ML	- Money Laundering
ML/TF/PF	- Money Laundering, Terrorist Financing and Proliferation Financing
MoCLA	- Ministry of Constitutional and Legal Affairs
MOFAEAC	- Ministry of Foreign Affairs and East African Cooperation
MOFP	- Ministry of Finance and Planning
MOHA	- Ministry of Home Affairs
MVTS	- Money or Value Transfer Services
NAMDC	- National Multi-Disciplinary Committee on Anti-Money Laundering, Counter Terrorist Financing and Counter Proliferation Financing
NIDA	- National Identification Authority
NPS	- National Prosecutions Service
NRA	- National Risk Assessment
PCCB	- Prevention and Combating of Corruption Bureau
PF	- Proliferation Financing (used interchangeably with FP)
PO PSM	- President's Office, Public Service Management
POCA	- Proceeds of Crime Act, Cap. 256
PO FP	- President Office, Finance and Planning Zanzibar

POTA	- Prevention of Terrorism Act, Cap. 19
RBA	- Risk Based Approach
RGoZ	- Revolutionary Government of Zanzibar
RITA	- Registration, Insolvency and Trusteeship Agency
SACCOS	- Serving and Credit Cooperative Society
SADC	- Southern African Development Community
STR	- Suspicious Transaction Report
TCDC	- Tanzania Cooperative Development Commission
TCRA	- Tanzania Communication Regulatory Authority
TF	- Terrorist Financing (used interchangeably with FT)
TIC	- Tanzania Investment Centre
TIRA	- Tanzania Insurance Regulatory Authority
TRA	- Tanzania Revenue Authority
UNSCR	- United Nations Security Council Resolution
URT	- United Republic of Tanzania
ZAECA	- Zanzibar Anti-Corruption and Economic Crimes Authority
ZDCE	- Zanzibar Drugs Control and Enforcement Authority

## DEFINITION OF TERMS

AML/CTF/CPF stakeholders	- These include Reporting persons; NAMDC, FIU; LEAs; Regulators; Prosecution Services; registries, judiciary;
Competent Authority	- Means a Regulator, customs authority, LEA, FIU, National Committee;
Customer Due Diligence (CDD)	- Means the process by which a reporting person identifies and verifies the identity of the customer;
Egmont Group of FIUs	- This is a group of Financial Intelligence Units (FIUs). Currently the group comprises 167 members. The Group provides a platform for the secure exchange of expertise and financial intelligence to combat ML/TF/PF;
Financial Intelligence Unit (FIU)	- A Government entity (an Extra-Ministerial Department) under the Ministry of Finance and Planning, established by AMLA under section 4, primarily to receive suspicious transaction reports and other reports from reporting persons, to analyze those reports and to disseminate intelligence to LEAs for investigation and possible prosecution, if there are reasonable grounds to suspect ML, TF or any other crime;
Financial Institution	- An entity engaged in the business of banking, but limited as to size, location served, or permitted activities, as prescribed by the Bank of Tanzania or required by the terms and conditions of its license;
Law Enforcement Agency (LEA)	- A Government entity responsible for enforcing the law. In URT this includes the Tanzania Police Force (TPF);

Prevention and Combating of Corruption Bureau (PCCB); Zanzibar Anti-corruption and Economic Crimes Authority (ZAECA); The Tanzania Immigration Service; Tanzania Revenue Authority (TRA); Zanzibar Revenue Board (ZRB) and any other body dealing with criminal investigations;

- Money Laundering - Engagement of a person or persons, direct or indirectly in conversion, transfer, concealment, disguising, use or acquisition of money or property known to be of illicit origin and in which such engagement intends to avoid the legal consequence of such action;
- National Committee - Means the National Multi-Disciplinary Committee on Anti-Money Laundering, Counter Terrorist Financing and Counter Proliferation Financing;
- Predicate offence - An offence or crime which generates illicit proceeds as defined in the Anti-Money Laundering Act, Cap. 423;
- Proliferation Financing/Financing of proliferation /Financing of proliferation of weapons of mass destruction - The illegitimate provision of financial services for the transfer and export of nuclear, chemical or biological weapons, their means of delivery and related materials.  
- It involves, in particular, the financing of trade in proliferation sensitive goods, but could also include other financial support to states, individuals or entities engaged in proliferation;
- Prosecution Services - National Prosecutions Service (Tanzania Mainland), Office of the Director of Public Prosecutions (Zanzibar)

## Registry

- An entity that collects and keeps information that is pertinent to combating ML/TF/PF including KYC/CDD information, especially identification information of natural persons, legal persons or legal arrangements, property information, etc. In URT, registries include the Business Registration and Licensing Agency (BRELA), Business and Property Registration Agency (BPRA), Registration, Insolvency and Trusteeship Agency (RITA), National Identification Authority (NIDA), Zanzibar Civil Status Registration Agency (ZCSRA), Tanzania Revenue Authority (TRA) and Zanzibar Revenue Board (ZRB);

## Regulator

- An entity that supervises reporting persons for AML/CTF/CPF compliance. In URT, regulators include Architects and Quantity Surveyors Registration Board; Bank of Tanzania (BOT); Business Registration and Licensing Agency (BRELA); Capital Markets and Securities Authority (CMSA); Energy and Water Utilities Regulatory Authority (EWURA); Gaming Board of Tanzania (GBT); National Board of Accountants and Auditors; Registrar General's Office; Registrar of Cooperatives (TCDC); Registrar of Non-Governmental Organizations; Registrar of Political Parties; Registrar of Societies, Tanganyika Law Society (TLS); Registrar of Titles; Registration, Insolvency and Trusteeship Agency (RITA); Tanzania Communications Regulatory Authority (TCRA); Tanzania Insurance Regulatory Authority (TIRA); Tanzania Investment Centre (TIC); Zanzibar Business and Property Registration Agency (ZBPRA);



Zanzibar Investment Promotion Authority (ZIPA); Zanzibar Law Society (ZLS) and any other entities as may be identified by law.

- Reporting Persons
- Service providers (legal persons, but sometimes natural persons) who are required by law to monitor customer transactions and to report to the FIU, transactions that seem to be suspicious in terms of ML, TF or any predicate offence. Reporting persons in URT includes banks and financial institutions; an accountant; auditor; tax advisor; trust and company service provider; clearing and forwarding agent; motor vehicle dealer; real estate agent; dealer in precious stones, work of art or metals; regulator; customs officer; advocates, notaries and other independent legal professionals; a person who carries on a business of an insurer; an intermediary insurance broker; a securities dealer or broker; a person who carries on a business of dealing in gold bullion, of issuing, selling or redeeming travelers cheques, money orders or similar instruments, or of collecting, holding and delivering or transmitting money; an operator of a gaming activity; a trustee or manager of a collective investment scheme; an operator of a bureau de change; auctioneers; pension fund managers; securities market intermediaries; financial leasing entities; microfinance service providers except for community microfinance groups classified as Tier 4 in the Microfinance Act and financing housing companies.

- Specified offence
- Means serious offence as defined in AMLPOCA

Suspicious transaction

- Suspicious transaction includes; complex, unusual or large business or non-business transactions, currency transaction, cross border currency, electronic funds transfer, whether completed or not, proposed or attempted with unusual patterns of transactions; insignificant but periodic transactions, which have no apparent economic or lawful purpose; funds or property which are proceeds of crime or are related or linked to persons or are to be used for commission or continuation of a predicate/specified offence.

Terrorist financing/  
Financing of terrorism

- The act of providing financial support from either legitimate or illegitimate sources to terrorist(s), terrorist groups or terrorist organizations;

## MINISTER'S STATEMENT

Money laundering, terrorist financing and proliferation financing (ML/TF/PF) are criminal offences with serious consequences to socio-economic and global security. ML/TF/PF triggers other crimes with adverse effects to the entire community worldwide. These crimes undermine the rule of law and good governance, leading to financial and economic instability.



Money laundering, terrorist financing and proliferation financing crimes are global concerns and for this reason the United Nations through various conventions such as the Vienna Convention (1988) against Illicit Traffic in Narcotic Drugs and Psychotropic Substances; the Palermo Convention (2000) against Transnational Organized Crime; Convention for the Suppression of Financing of Terrorism (1999) and later on United Nations Security Council Resolutions 1718 and 1737 (2006) on proliferation financing required, among other things, member countries to criminalize money laundering, terrorist financing and proliferation financing. The United Republic of Tanzania is signatory to those conventions. To combat these crimes, the international community has developed further measures such as creation of the Financial Action Task Force (FATF) in 1989 which sets standards to combat money laundering, terrorist financing and proliferation financing also well known as FATF Standards. These standards are observed and implemented by jurisdictions worldwide.

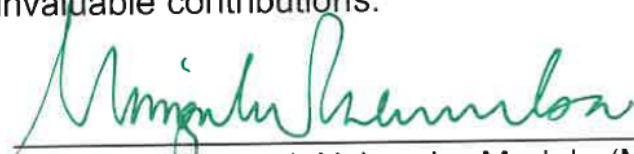
The United Republic of Tanzania has taken various initiatives to domesticate the United Nations Resolutions, International and Regional agreements in combating ML/TF/PF in order to safeguard principles of socio-economic and good governance including putting in place an appropriate legal and institutional framework. The most relevant legal framework in the URT includes: Proceeds of Crime Act (Cap.256); the Anti-Money Laundering Act (Cap.423); the Anti-Money Laundering and Proceeds of Crime Act, No. 10 of 2009 of Zanzibar; and the Prevention of

Terrorism Act (Cap.19). The enacted laws criminalize money laundering, terrorism financing and proliferation financing. In terms of institutional framework, various relevant institutions have been established including the National Multi-Disciplinary Committee on Anti-Money Laundering (NMDC) and the Financial Intelligence Unit (FIU) while various other institutions have been designated as law enforcement agencies in combating the crimes and as reporting persons both in public and private sectors. The Government of United Republic is committed to ensuring that efforts will continue to be made to implement the FATF Standards effectively.

Despite the efforts made, a number of deficiencies were identified by the National Money Laundering and Terrorist Financing Risk Assessment (NRA) conducted from September 2015 to December 2016 and the second round Mutual Evaluation Report adopted by the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) Council of Minister in June 2021. The deficiencies relate to general lack of awareness among members of the public on ML/TF/PF and absence of formal AML/CFT/CPF training and awareness raising programmes, absence of mechanism for monitoring the registration of DNFBPs, non-application of effective, proportionate, and dissuasive sanctions for noncompliance particularly with regard to filing and submitting STRs; non-availability of comprehensive and updated basic beneficial ownership information on legal persons and legal arrangements; inability of law enforcement agencies to pursue money laundering investigations and prosecutions, including through parallel financial investigations for predicate offences in line with the risk identified in the NRA; lack of a legal procedures for maintaining and dealing with confiscated/ seized/forfeited assets or instrumentalities used or intended to be used in ML crimes; and generally problems related to cash based economy and hawala. These deficiencies, to a greater extent, emanates from the lack of (AML/CTF/CPF) policies or appropriate strategies to address them. This Strategy is intended to create an enabling environment for effective coordination of efforts against money laundering, terrorist financing and proliferation financing and will lead to efficient and effective

implementation of preventive measures, the rule of law, good governance and risk-based approach to vulnerabilities and risks in the country.

Last but not least, I reiterate the Government's commitment towards continued efforts to implement ML/TF/PF preventive measures and international good practices and standards. The success of this Strategy will, to a greater extent, depend on cooperation among all stakeholders. I welcome the continued collaboration and participation of all stakeholders in implementing this Strategy, in order to realize the broader goals of our country of achieving minimal money laundering, terrorist financing and proliferation financing, if not eliminating the crimes completely. I hereby extend my sincere appreciation to all the stakeholders for their efforts and invaluable contributions.



Dr. Mwigulu Lameck Nchemba Madelu (MP)  
**Minister for Finance and Planning**

## MESSAGE FROM THE CHAIRPERSON OF THE NATIONAL COMMITTEE

The National Committee (NAMDC) is mandated to advise the Government of the



United Republic of Tanzania and the Revolutionary Government of Zanzibar on matters related to AML/CFT/CPF, including policy matters and the coordination of stakeholders in the public and private sector. This Anti-Money Laundering, Counter Terrorist Financing and Counter Proliferation Financing (AML/CTF/CPF) Strategy 2022/23-2026/27 is aimed at fostering cooperation and coordination of efforts to effectively combat money laundering, terrorist financing and proliferation financing in the United Republic of Tanzania (URT). The NAMDC will be the coordinating organ of the Strategy.

The strategy took into consideration findings of the National Money Laundering and Terrorist Financing Risk Assessment of 2016 and the second round Mutual Evaluation of 2021, among other factors. The Strategy is based on eleven objectives which enhance the AML/CFT/CFP framework of the United Republic of Tanzania, in order to strengthen measures to prevent, detect and deter ML/TF/PF.

The Strategy spells out a roadmap for implementation by clearly identifying strategies, targets, assigning responsible parties and setting time bounds for implementation. It is aligned with other national policies, strategies and frameworks including:

- Financial Sector Development Master Plan;
- Zanzibar Development Vision;
- Zanzibar Development Plan;
- Zanzibar Good Governance Policy;
- National Anti-Corruption Policy and Strategy;
- Zanzibar Integrated Strategy for Anti-Corruption and Economic Crimes;
- National Human Settlement Development Policy;

- The Wildlife Policy of Tanzania;
- National Financial Inclusion Framework;
- National Coordination Strategy on Investigations and Prosecution of Financial Crimes;
- Mining Commission Strategic Plan;
- Tanzania Revenue Authority Corporate Plan;
- Zanzibar Revenue Board Forth Corporate Plan; and
- The Drug Control and Enforcement Authority Medium Term Strategic Plan.

This strategy represents a revitalised effort in United Republic of Tanzania to safeguard the financial sector from the harmful effects of money laundering, terrorism financing and proliferation financing. The strategy has been prepared with the aim of ensuring that the United Republic of Tanzania's AML/CFT/CPF regime is aligned to the international standards.



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**Fatma Ayoub Simba**  
**Vice Chairperson of the NAMDC**  
**and Commissioner for Financial Intelligence Unit**

# CHAPTER ONE

## Introduction

### 1.1 Background

The United Republic of Tanzania (URT), like many other countries worldwide, faces the problems of money laundering and terrorist financing which are serious crimes. Perpetrators of money laundering hide the sources of the criminal proceeds in order to evade the law enforcers and to further their criminal activities such as; corruption, tax evasion, drug trafficking, theft, robbery, poaching, illegal mining and illegal dealing in precious metals and stones. When money laundering remains unchecked, it facilitates the criminal enterprise to flourish. Similar to money laundering is terrorist financing which may be from both licit and illicit proceeds to facilitate terrorism. Altogether, the consequences of money laundering and terrorist financing undermine the rule of law, social justice, peace and security, and lead to financial instability and economic failure.

Apart from the challenges of money laundering and terrorist financing, the global community is currently also facing the challenge of Financing of Proliferation of Weapons of Mass Destruction (also briefly termed as “Financing of Proliferation (FP)” or “Proliferation Financing (PF)”).

The crimes of money laundering, terrorist financing and proliferation financing are transnational and global in nature. It is for this reason the United Nations through the Vienna Convention (1988) against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, United Nations Convention on Suppression of Terrorism Financing (1999), the Palermo Convention (2000) against Transnational Organized Crime and United Nations Resolutions number 1540(2004), 1718(2006) and 2231(2015) on proliferation financing required among other things, member countries to criminalize money laundering, terrorist financing and proliferation financing.



The international community has also developed other measures to combat the crimes. Such measures include the creation of the Financial Action Task Force (FATF) which sets standards to combat Money Laundering, Terrorist Financing and Proliferation Financing (ML/TF/PF), also well known as FATF Standards. To facilitate jurisdictions peer review on effective implementation and compliance to the Standards, FATF Style Regional Bodies (FSRBs) such as Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) were created. ESAAMLG was established in 1999 in Arusha and its Secretariat is hosted in Dar es Salaam. URT is among the founding members and currently it has twenty (20) member countries.

To domesticate the global efforts, URT enacted various laws pursuant to United Nations conventions and agreements, amongst other things to criminalize money laundering, terrorist financing and proliferation financing, establish new institutions and designate various institutions such as regulators, law enforcement agencies and reporting persons. The enacted laws include: The Economic and Organized Crime Control Act, 1984 (EOCCA); the Proceeds of Crime Act, 1991 (POCA); the Mutual Assistance in Criminal Matters Act, 1991 (MACMA); the Prevention of Terrorism Act, 2002 (POTA); the Anti-Money Laundering Act, 2006 (AMLA); and the Anti-Money Laundering and Proceeds of Crime Act, 2009 (AMLPOCA). These laws have continuously been amended in line with the changing nature of the crimes internationally and domestically. In March 2022 the AMLA, AMLPOCA and POTA, just to mention a few were amended to address issues like risk-based approach on customer due diligence, designating new reporting persons and regulators, and proliferation financing.

Despite the efforts made, there are still gaps in matters related to proper coordination, focused guidance and awareness among AML/CTF/CPF stakeholders for the domestic and foreign AML/CTF/CPF efforts to be effective and sustainable. To fill the gaps a mechanism which is complement to the legislative

and institutional framework is required. This Strategy will definitely provide that mechanism.

## **1.2 Rationale for the Strategy**

Money Laundering, Terrorist Financing and Proliferation Financing (ML/TF/PF) are relatively new crimes in the history of legislation compared with other crimes such as theft, robbery, fraud, tax evasion and murder. The Government has put in place legal and regulatory framework for combating ML/TF/PF which was reviewed recently to accommodate recommendations made by NRA and ESAAMLG Mutual Evaluation Report (MER).

Despite having legal and regulatory framework in place URT still faces a number of challenges resulted from lack of coordination mechanisms that will facilitate coordination of AML/CFT/CPF stakeholder's efforts in combating ML/TF/PF crimes. ML/TF/PF crimes mutate fast as criminals continue to device new techniques whereby with the help of technological advancements criminals are able to conduct complex illicit transactions to cover their tracks without detection. In addition, there is deficiency in awareness and capacity, and cooperation and coordination among AML/CFT/CPF stakeholders.

In order for the Government of the United Republic of Tanzania to combat these vices effectively, efficiently and in a sustainable manner, there is a need to have an AML/CTF/CPF national strategy to guide on efforts and appropriate implementation of preventive measures in cooperation of all stakeholders and in a coordinated manner. The 2009 and 2021 Mutual Evaluations of the AML/CFT/CPF regime of the URT as well as the National Money Laundering and Terrorist Financing Risk Assessment Report of December, 2016, identified a number of deficiencies and recommended for coordinated approach to addressing the deficiencies based on the risks identified in the NRA. The National AML/CFT/CPF Strategy 2022/23–2026/2027 therefore, is a deliberate commitment of the

Government of the URT to continue to ensure that ML/TF/PF crimes are prevented if not eliminated in the country.

### **1.3 Methodology**

The process of formulating this Strategy involved perusal of various FATF recommendations and guidance on recommended AML/CFT/CPF policies as well as consideration of practices and experiences in other jurisdictions. The process also involved a review of URT MERs and the NRA for the purposes of formulating the strategies to address the identified deficiencies and risks in those reports.

Further, the process involved collection of comments from a wide spectrum of AML/CTF/CPF stakeholders including Government Ministries, Independent Departments and Agencies, the private sector, researchers, academicians, development partners, and civil society organizations.

### **1.4 Layout of the Strategy**

This strategy has been arranged in six chapters; Chapter One deals with introductory matters of international and domestic AML/CFT/CPF initiatives. Chapter Two deals with the AML/CFT/CPF situational analysis of geo-economic, stakeholders' analysis of their responsibilities and expectations of the AML/CFT/CPF regime and Chapter Three sets out the vision, mission and highlights the general and specific objectives of the strategy. Chapter Four sets out the actual objectives, strategies and targets for addressing the deficiencies in the AML/CFT/CPF regime, Chapter Five highlights core issues and assignment of duties and responsibilities while the final Chapter Six sets out the desired Monitoring and Evaluation framework of the strategy.

## **CHAPTER TWO**

### **Situational Analysis**

#### **2.1 Introduction**

This chapter highlights the situation in terms of the prevailing AML/CFT/CPF conditions in the United Republic of Tanzania, identify the key stakeholders and group them according to their levels of participation, interest, and influence in this strategy and shows how they will be involved and communicate among themselves during the implementation stage of this strategy and finally an analysis is made on the strengths, weaknesses, opportunities and threats in the AML/CFT/CPF regime to increase awareness of the factors that go into establishing this strategy.

#### **2.2 Prevailing AML/CFT/CPF Conditions**

With respect to the AML/ CFT/CPF environment prevailing at the time of preparation of this Strategy, the following is the summary performance of the implementation of AML/CFT/CPF.

- (a) The AML/CFT regime of URT dates back to early 2000, and over the years, a legal and institutional framework to comply with international AML/CFT Standards has been in place and has to a great extent enhanced the effectiveness in accordance with international standards. These include designating relevant financial and designated business and professions as reporting persons for purposes of conducting CDD based on risk, requirements on conducting simplified CDD to low risks areas, records maintenance, understanding and assessing risks and putting in place mitigation measures, having internal AML/CFT/CPF procedures. The recent amendments to various AML/CFT/CPF related laws (including the AMLA, AMLPOCA and the Prevention of Terrorism Act) attests to the governments of the URT's continued efforts to the improve their legal and institutional framework in compliance with international standards and good practices.

- (b) URT has a reasonably fair understanding of its ML/TF risks, the risks in the regulated sectors and high proceeds generating crimes as identified in the 2016 National AML/CFT Risk Assessment. With a view to ensuring that the NRA is updated to take into account the evolving ML/TF risk environment and to align it with the requirements of the international standards, an assessment of ML risks associated with legal persons, legal arrangements, NPOs and hawala system were conducted in February- June 2022. The final reports were incorporated in the existing NRA. In addition, to ensure the understanding of the prevailing risks, the updated NRA was accordingly shared with all AML/CFT/CPF stakeholders in early July, 2022.
- (c) The level of understanding of ML/TF risks and AML/CFT obligations varies across the FIs. While large and medium local and foreign owned or controlled banks including MVTS providers have a good understanding of the ML/TF risks, there is low understanding of ML/TF risks and AML/CFT obligations by Non-Banking Financial Institutions and the DNFBP sectors which is attributable to lack or limited supervision and awareness. Related to this, the AML/CFT supervisors have not yet adopted and started implementing AML/CFT risk-based supervision. While the majority of the DNFBPs including the motor vehicle dealers and real estate's agents had no designated AML/CFT supervisors and therefore are not being properly supervised or monitored for compliance with their AML/CFT requirements, the new amendment of the AMLA and AMLPOCA designated FIU as regulator of all reporting entities with no designated supervisory authority. The strategy aims to put in place specific actions designed to address this particular deficiency.
- (d) For some time, the URT did not have written AML/CFT/CPF specific policies/strategies that are informed by the identified ML/TF risks. In 2012, URT developed an Action Plan that did not include activities to address some

specific ML/TF vulnerabilities and proceeds generating crimes that were considered to be of high ML/TF risk. The 2012 Action Plan missed activities such as on issues relating to cash economy and hawala system, Risk base approach to AML/CFT/CPF, access of information on legal persons and legal arrangements and matters related to proliferation financing. The legislative amendments in 2022 addressed most of these issues and the governments in URT approved to have a National AML/CFT/CPF Strategy 2022/23 to 2026/2027. Even before the NRA was conducted, some competent authorities had started carrying out activities to address some major proceeds generating crimes such as wildlife crimes, corruption and tax evasion that were not included in the Action Plan.

- (e) There is limited access and use of financial intelligence by competent authorities. While the FIU produces financial intelligence reports, these products are being underutilized in the ML/TF investigation and prosecution value chain, and also by supervisory bodies. LEAs rely on other sources of information to detect and investigate ML and pursue confiscation. The authorities have also not prioritized ML investigations but still focus on conventional investigation of predicate offences. Confiscation results are not largely consistent with the ML/TF risk profile of the country.
- (f) In an attempt to demonstrate the understanding of TF vulnerability risks an Assessment of Terrorism Financing was carried out in February, 2022 and the results were incorporated in the existing NRA and an updated version of the NRA was produced and was circulated to all stakeholders for their reference and understanding of TF risks. With a view to effectively detect, investigated, mitigated and disrupted TF incidences consistent with the risk profile various capacity building programs for LEAs were carried out in 2021 and 2022.

(g) in 2022 the URT, by way of Amendments of the POTA and promulgation of the new POTA general regulations Government Notice No: 379 of 2022 put in place an adequate legal framework and mechanisms to implement targeted financial sanctions (TFS) on TF and PF. The FIU issued guidance to assist reporting institutions and other persons to effectively implement their TFS obligations, However, supervisory authorities have not issued guidance to assist reporting institutions and other persons to effectively implement their TFS obligations. The POTA regulations 2022, also sets out the coordination framework for the implementation of the UNSCRs related to PF.

(h) By way of an Assessment carried in March, 2022, URT identified the nature of threats posed by terrorist entities to the NPOs as well as how the terrorist actors abuse NPOs. URT has also identified, assessed and understood ML/TF vulnerabilities of legal persons and legal arrangement, created in the country, and the extent to which they can be or are being misused for ML/TF. The legal and regulatory framework in URT provides, across all registries for legal persons and legal arrangements (company registrars, registrars of trusts, and registrar of NPOs), for identification, verification, maintenance and updating of BO information and records. However, the authorities do not have adequate supervisory capacity and mechanisms to ensure that reporting persons have access to BO information and that the basic information being kept by reporting persons is adequate, accurate and current.

(i) URT has in place a good legal and institutional framework to cooperate and exchange information with foreign counterparts in respect of mutual legal assistance (MLA) and other forms of international cooperation. However, URT has applied these measures mainly on predicate offences. The effectiveness of cooperation is undermined by inadequacies and lack of

capacity to pursue parallel financial investigation when investigating predicate offences.

- (j) Overall, the competent authorities do not have adequate capacity both in terms of human and financial resources to effectively carry out their AML/CFT responsibilities.

## **2.3 AML/CFT/CPF Stakeholders Analysis**

In this regarding the analysis looks at all stakeholders at the global, regional and domestic perspectives as indicated in the below.

### **2.3.1 Global perspective**

The United Nations through the Vienna Convention (1988) against Illicit Traffic in Narcotic Drugs and Psychotropic Substances; Convention for the Suppression of Financing of Terrorism (1999); the Palermo Convention (2000) against Transnational Organized Crime; and Resolutions 1718 and 1737 (2006) on proliferation of weapons of mass destruction and other agreements required, among other things, require member countries to criminalize money laundering, terrorist financing and proliferation financing and take other appropriate targeted financial sanctions in terms of both asset freezing and prohibitions to prevent funds or other assets from being made available, directly or indirectly, for the benefit of designated persons and entities. Furthermore, the international community has developed other measures such as creation of the Financial Action Task Force (FATF) in 1989 that sets standards to combat money laundering, terrorist financing and proliferation financing. These standards are observed and implemented by jurisdictions worldwide.

In 1995, the international community created global association of Financial Intelligence Units (FIUs) known as Egmont Group of Financial Intelligence Units to the exchange of intelligence among member FIUs.



### **2.3.2 Regional Perspective**

The international community created FATF Styled Regional Bodies (FSRBs) to facilitate jurisdictions' compliance with the FATF Standards. Such bodies facilitate member countries' peer review (Mutual Evaluations) on effective implementation and compliance with the FATF Standards. URT is a founding member of the FSRB for eastern and southern Africa region called the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG). ESAAMLG was established in Arusha, Tanzania in 1999 and currently has twenty (20) member countries. ESAAMLG Secretariat is hosted in Dar es Salaam. Also, the East Africa Community and the Southern African Development Community support and endorse implementation of AML/CFT/CPF measures.

Law Enforcement Agencies in URT have entered into agreements with various regional institutions or fora such as the INTERPOL, the East African Police Chiefs Cooperation, the South African Police Chiefs Cooperation and the Asset Recovery Interagency Network for Southern Africa to foster and exchange information that assist the investigation of ML, TF, PF and other Financial Crimes.

### **2.3.3 Domestic Perspective**

Pursuant to the UN Conventions, URT ratified Conventions and enacted laws that amongst others, criminalize ML/TF/PF; establish and assign duties and responsibilities to various institutions such as the FIU and the National Multi-Disciplinary Committee on Anti-Money Laundering to counter ML/TF/PF. The laws that were enacted include the Proceeds of Crime Act (Cap. 256); the Prevention of Terrorism Act (Cap. 19); the Anti-Money Laundering Act (Cap. 423) and the Anti-Money Laundering and Proceeds of Crime Act, No.10 of 2009 of Zanzibar; Mutual Assistance in Criminal Matters Act (Cap. 254) and the Economic and Organized Crime Control Act (Cap. 200). All AML/CFT/CPF stakeholders are obliged to comply with these various laws. These stakeholders are as discussed below.

### **2.3.3.1 Law Enforcement Agencies operations and Judiciary**

The Law Enforcement Agencies (LEAs) which are in the AML/CFT/CFP chain includes the National Prosecution Service (NPS); Director of Public Prosecutions (DPP's) office of Zanzibar; Tanzania Police Force (TPF); Prevention and Combating of Corruption Bureau (PCCB); Zanzibar Anti-Corruption and Economic Crimes Authority (ZAECA); Drugs Control and Enforcement Authority (DCEA); Zanzibar Drugs Control and Enforcement Authority (ZDCEA); Tanzania Revenue Authority (TRA) and The Tanzania Immigration Service. The LEAs are obliged to investigate and prosecute ML/TF/PF offences, and identify and trace illicit assets for potential seizure, forfeiture and confiscation. Judiciary adjudicate ML/TF/PF cases.

### **2.3.3.2 Supervisors/regulators of Reporting Persons**

The Bank of Tanzania (BoT) supervises banks and related financial institutions (FIs), the Capital Markets and Securities Authority (CMSA) and Tanzania Insurance Regulatory Authority (TIRA) are responsible for the supervision of the capital markets intermediaries and insurance licensees respectively. The Gaming Board of Tanzania (GBT) supervises casinos and other gaming activities, Tanganyika and Zanzibar Law Societies supervise lawyers in Tanzania Mainland and Zanzibar respectively, Architects and Quantity Surveyors Registration Board is responsible for supervising Architects and Quantity Surveyors in Tanzania Mainland, National Board of Accountants and Auditors is responsible for supervising Accountants and Auditors in URT, Registrar of Sociates supervises social security industry in URT, Registrar of Cooperatives supervises cooperatives in URT, Registrar of Non-Governmental Organizations supervise non-governmental organizations in URT, Tanzania Communication Regulatory Authority supervises communication industry in URT, and Registration, Insolvency and Trusteeship Agency supervises trust ship in Mainland Tanzania. The FIU is the overall regulator for AML/CFT/CPF compliance for sectors that are regulated or unregulated.

### **2.3.3.3 Reporting Persons**

The majority of Reporting Persons are from the private sector and are categorized as financial institutions and the Designated Non-Financial Business and Professions (DNFBPS). Reporting Persons are primary gate keepers for preventing ML/TF/PF at the source and are required to apply the relevant AML/CFT/CPF preventive measures and submit suspicious transactions reports and other compliance reports to the FIU.

## **2.4 SWOC ANALYSIS**

The assessment of Strength, Weakness, Opportunities and Challenges has been conducted with the view of maintaining the strengths, proper utilization of opportunities, and taking corrective measures to address weaknesses and challenges. Detailed SWOC analysis matrix is shown in **Appendix I**.

## **2.5 AML/CFT/CPF ASSESSMENTS**

### **2.5.1 National Money Laundering and Terrorist Financing Risks**

As a cornerstone to implementing effective and robust AML/CFT/CPF regimes and pursuant to FATF recommendations, jurisdictions are obliged to understand money laundering, terrorist financing and proliferation financing (ML/TF/PF) risks and to adopt a Risk-Based Approach (RBA) and allocate resources according to the identified risks in order to effectively mitigate them.

To enhance its AML/CFT/CPF regime, the United Republic of Tanzania conducted its first National Money Laundering and Terrorist Financing Risk Assessment (NRA) from September 2015 to December 2016 using the World Bank Methodology on Money Laundering and Terrorist Financing risk assessment. The NRA process involved 127 participants from 80 Government and private sector institutions from Tanzania mainland and Zanzibar.

Further, the Assessment involved assessment of ML/TF risk in 19 sectors which are: Banking; Insurance; Securities; Real Estate; Electronic Money Issuers; Dealers in Precious Metals and Stones; SACCOS; Accountants and Auditors; Lawyers, Notaries, Attorneys and other independent legal professionals; Micro Credit Institutions; Bureaus de Change; informal financial groups; Money or Value Transfer Services; Informal Value Transfer (hawala) Services; Pension Fund Managers; Casinos and other gaming activities; Auctioneers; Dealers in Works of Art; and Motor Vehicle Dealers. The assessment determined ML/TF threats, vulnerabilities and risk in each of the mentioned sectors, as well as prominent crimes that generate illegal proceeds that are subsequently laundered.

Key findings from the assessment indicated as follows:

- (a) there is very low AML/CFT awareness among AML/CFT stakeholders and the general public;
- (b) the major crimes that generate illicit proceeds include corruption, tax evasion, drug trafficking, poaching, illegal mining, illegal dealing in precious metals and stones;
- (c) the most vulnerable sectors include real estate, dealing in precious metals and stones, dealing in motor vehicles and informal value transfer services (hawala);
- (d) there is no AML/CFT/CPF policies or strategy to steer the efforts against ML/TF;
- (e) AML/CFT legislation has a number of deficiencies;
- (f) the AML/CFT institutional setup is inadequate and with limited capacity;
- (g) there is inadequate cooperation and information sharing among AML/CFT stakeholders; and
- (h) inadequate identification infrastructure, informal nature and cash-based economy pose major challenge in AML/CFT.

The NRA report provided a number of recommendations including:

- (a) AML/CFT stakeholders should enhance AML/CFT awareness campaigns and capacity building;
- (b) URT needs to formulate an AML/CFT/CPF policy;
- (c) URT needs to continuously amend AML/CFT/CPF legislation to be in line with contemporary risk assessments and other factors;
- (d) URT needs to implement RBA to combat ML/TF/PF;
- (e) URT needs to enhance cooperation and information sharing among all AML/CFT/CPF stakeholders;
- (f) URT needs to enhance the AML/CFT/CPF institutional framework; and
- (g) Ensure National IDs are rolled over to every eligible person

### **2.5.2 Mutual Evaluation of the URT AML/CFT/CPF Regime**

The URT was evaluated by ESAAMLG for the second time from October, 2018 to June 2021. The Mutual Evaluation assessed Technical Compliance to the 40 Recommendations and Effectiveness on AML/CFT/CPF legal and institutional framework against 11 FATF Immediate Outcomes. In terms of Technical Compliance, URT attained the following ratings: three (3) Compliant, 11 Largely Compliant, 17 Partially Compliant and nine (9) non-Compliant. In terms of effectiveness, URT attained two (2) Moderate Effectiveness rating and nine (9) Low Effectiveness ratings.

Based on the above cited results, the URT performance was considered to be not satisfactory and the main deficiencies identified are as follows:

- (a) URT has a limited understanding of ML/TF risks and it has not applied a RBA to combat ML/TF;
- (b) there is low AML/CFT/CPF awareness among FIs, DNFBPs, competent authorities and other AML/CFT/CPF stakeholders;
- (c) URT lacks a written AML/CFT/CPF policy/strategy;
- (d) AML/CFT legislation have some deficiencies and need to be amended;

- (e) Financing of Proliferation of Weapons of Mass Destruction has completely not been addressed in URT;
- (f) URT does not implement targeted financial sanctions as required by the relevant United Nations Security Council Resolutions (UNSCRs) including UNSCR 1267 and 1373;
- (g) URT does not apply seizure and confiscation of assets as a policy objective. It predominantly seizes instrumentalities of crime rather than proceeds of crime;
- (h) URT does not keep adequate and accurate statistics on ML/TF;
- (i) Measures in URT to obtain and maintain or update beneficial ownership information are inadequate;
- (j) There are inadequate staff among competent authorities to conduct analysis of STRs and other reports, to investigate as well as to prosecute ML/TF offences;
- (k) Competent authorities make very little use of financial intelligence made by the FIU, they predominantly only investigate and prosecute predicate offences, leaving out the offences of ML/TF; and
- (l) URT does not seek Mutual Legal Assistance (MLA) on ML/TF cases and extradition.

## **2.6 Critical Issues for Implementation, Risks and Proposed Mitigation Measures**

The URT is committed to and places a high priority on ensuring that critical issues arising from the Assessments referred to in paragraph 2.2 and 2.3 that may impair implementation of the AML/CFT/CPF laws to achieve the intended objectives are fully dealt with. Six (6) critical issues requiring strategic planning and implementation, the risks for their non-implementation are also identified and mitigation measures to avert the identified risks are proposed indicated in **Table No. 1.0**

**Table 1.0: Critical issues for Implementation, risks and mitigations**

S/N	KEY/CRITICAL ISSUES	RISK	MITIGATION
1.	Capacity building through training of LEAs and reporting persons (particularly DNFBPs) and availability of adequate resources to implement the strategy.	Resources are always scarce due to other national competing priorities and unforeseen may occur.	Search for technical Assistance other sources such as bilateral and multilateral and reschedule implementation plan according available resources.
2.	Putting in place Asset Management and recovery mechanisms to strengthen handling of confiscation of proceeds and instrumentalities of crime.	Non allocation of budget for this activity.	Search for technical assistance
3.	Central maintenance of AML/CFT/CPF statistics	Incompatibility of systems that maintain data resulting to failure to have necessary linkages.	Engage IT staff in relevant parties to this matter as well as the E-Government to ensure a solution is obtained.
4.	Accessibility of Beneficial ownership of legal persons and legal arrangements to all reporting persons to enable them identify and verify the BO information.	Reluctance of the registries to cooperate based on the confidentiality provision.	Establish a team of experts to discuss and agree on the appropriate mechanism of availing reporting person relevant and updated BO information including letting them attesting to non-disclosure of that information to third parties.
5.	Effective cooperation and coordination of AML/CFT matters	Inadequate time and commitment of participating agencies resulting to non-participation in planned initiatives.	Assigning specific focal persons from all participating authorities and design specific activities/actions and requiring periodic reporting of the planned activities.
6.	Rapid changing of ML/TF/PF landscape	Technological, socio and economic factors are very dynamic, perpetrators always capitalize on any weakness resulted from that change.	Consult partner agencies and external stakeholders to enhance capacity of AML/CFT/CPF domestic stakeholders.

## **CHAPTER THREE**

### **Vision, Mission and Objectives**

#### **3.1 Vision**

To be an efficient, effective, coordinated and sustainable AML/CFT/CFP regime consistent with best practices and international standards for high financial sector integrity and strong economic stability.

#### **3.2 Mission**

To ensure AML/CFT/CFP understanding among stakeholders, applying effective prevention and enforcement system comprising of a wide range of measures, actions and programs, informed by ML/TF/PF risks, and recognizing the importance of synergies.

#### **3.3 Objectives**

##### **3.3.1 General Objective**

Efficient, effective and coordinated approach to the implementation of the AML/CFT/CPF measures in the country enhanced.

##### **3.3.2 Specific Objectives**

In order to effectively meet the general objective referred to above, the National AML/CFT/CPF Strategy 2022/23-2026/2 shall be guided by the following specific objectives:

- (a) Risk based approach in combating ML/TF/PF effectively implemented by all reporting persons;
- (b) Domestic and international AML/CFT/CPF stakeholders' cooperation attained;
- (c) Reporting persons effectively apply AML/CFT/CPF preventive measures;
- (d) Competent Authorities effectively capacitated on analysis, investigation, prosecution and adjudication of ML and the underlying predicate/specified offences, TF, PF;



- (e) Legal and institutional framework improved to consistent with best practices and international AML/CFT/CPF standards;
- (f) Access and transparency on the information on beneficial ownership and control of legal persons and legal arrangements for AML/CFT/CPF purposes achieved;
- (g) United Nation resolutions and conventions and other international and regional agreements relating to AML/CFT/CPF effectively executed;
- (h) Availability and sharing of AML/CFT/CPF and predicate/specified offences information among stakeholders accomplished;
- (i) New products, technologies, services, delivery channels and other business practices with ML/TF/PF risks mitigated launched;
- (j) Availability of Financial services that leave audit trail attained; and
- (k) AML/CFT/CPF awareness to stakeholders and the public enhanced.

## **CHAPTER FOUR**

### **The AML/CTF/CPF Strategy 2022/23-2026/27**

#### **4.1 Objective 1:**

Risk based approach in combating ML/TF/PF effectively implemented.

##### **4.1.2 Strategies**

- (a) Continuous understanding of ML/TF/PF risks; and
- (b) Effective mitigation of ML/TF/PF risks.

##### **4.1.3 Targets**

- (a) AML/CTF/CPF awareness-raising on risk-based approach conducted by 2025;
- (b) ML/TF/PF risk assessments at the national, sectoral, and institutional levels are regularly reviewed and updated by AML/CTF/CPF by stakeholders by June, 2025; and
- (c) Resources allocated annually according to identified ML/TF/PF risks by 2027.

#### **4.2 Objective 2:**

Domestic and international AML/CFT/CPF stakeholders' cooperation attained.

##### **4.2.2 Strategies**

- (a) Appropriate mechanism for domestic coordination and international cooperation in place.

##### **4.2.3 Targets**

- (b) Domestic central coordination and cooperation mechanism among stakeholders formulated and implemented by June, 2023;
- (c) Agreements for cooperation among domestic and international stakeholders periodically entered by 2027; and
- (d) Regional and International agreements implemented by 2027

### **4.3 Objective 3:**

Reporting persons effectively apply AML/CFT/CPF preventive measures.

#### **4.3.2 Strategies**

- (a) Awareness raising on relevant AML/CFT/CPF preventive measures; and
- (b) Periodically review of legislation to enhance provisions on Customer Due Diligence (CDD), maintenance of customer records, internal controls and employees' capacity building.

#### **4.3.3 Targets**

- (a) Level of compliance with AML/CFT/CPF preventive measures increased to at least 80% from the current 10% by 2027;
- (b) Sanctioning for non-compliance applied effectively, proportionately and dissuasively by 2027; and
- (c) AML/CFT/CPF guidelines to reporting persons issued continuously by 2027.

### **4.4 Objective 4:**

Competent Authorities effectively capacitated on analysis, investigation, prosecution and adjudication of ML and the underlying predicate/specified offences, TF, PF.

#### **4.4.2 Strategies**

- (a) Appropriate capacity building programs for competent authorities in terms of human, financial and technical resources in place;
- (b) Mechanism for coordination and cooperation among competent authorities in place.

#### **4.4.3 Targets**

- (a) Use of financial intelligence, parallel financial investigations and prosecution of ML/TF/PF increased from 5% to 50% by 2027;
- (b) Speed of adjudication of ML/TF/PF cases improved from 2-3 years to 1 year by 2027;
- (c) Assets recovered increased by more than 50% of the asset involved currently by 2027;

- (d) Task forces, committees, fora, and networks to foster domestic, cooperation established by 2024;
- (e) Feedback systems among AML/CFT/CPF stakeholders formulated and implemented by June, 2023; and
- (f) Harmonized assets forfeiture mechanism/management formulated by 2024.

#### **4.5 Objective 5:**

Legal and institutional framework improved to comply with best practices and international AML/CFT/CPF standards.

##### **4.5.2 Strategies**

- (a) Enacting, reviewing and amending AML/CTF/CPF legislation (including subsidiary legislation, principles, standards and guidelines); and
- (b) Strengthening and improving institutional framework.

##### **4.5.3 Targets**

- (a) Relevant AML/CTF/CPF legislation are regularly reviewed by June, 2027; and
- (b) Institutional framework is streamlined by June 2027.

#### **4.6 Objective 6:**

Transparency and access to information on beneficial ownership and control of legal persons and legal arrangements for AML/CTF/CPF purposes achieved.

##### **4.6.2 Strategies**

- (a) Registries to continuously obtain, verify and update identity information on beneficial owners and control of legal persons and legal arrangements;
- (b) Registries to avail beneficial ownership and control information of legal persons and legal arrangements to qualifying AML/CTF/CPF stakeholders;
- (c) Fast-track the issuance of identity cards to all eligible persons in URT (national identity cards for Tanzania mainland and resident identity cards for Zanzibar); and

(d) Improve the quality of registration of mobile phone sim cards

#### **4.6.3 Targets**

- (a) Information on beneficial ownership and control of legal persons and legal arrangements in all registries updated by June, 2024;
- (b) Information on beneficial ownership and control of legal persons and legal arrangements in registries accessed to qualifying AML/CTF/CPF stakeholders by June, 2024;
- (c) 100% of eligible URT applications for identity cards issued with relevant smart IDs by June 2024; and
- (d) Genuine and accurate CDD information provided by mobile network operators by June 2024.

#### **4.7 Objective 7:**

United Nation resolutions and conventions and other international and regional agreements relating to AML/CFT/CPF effectively executed.

#### **4.7.2 Strategies**

- (a) Establish mechanism for domestic or international designation of targeted financial sanctions; and
- (b) Transposition/Domestication of AML/CTF/CPF related UNSCRs, regional and international agreements.

#### **4.7.3 Targets**

- (a) Domestic or international designation of targeted financial sanctions regularly implemented by June, 2027; and
- (b) AML/CTF/CPF legal and institutional framework streamlined with appropriate international and regional agreements by June, 2027.

#### **4.8 Objective 8:**

Availability and sharing of AML/CTF/CPF and predicate/specified offences information among stakeholders improved.

##### **4.8.2 Strategy**

- (a) Establish mechanism for collecting, storing, updating and sharing of AML/CTF/CPF and predicate/specified offences information among stakeholders.

##### **4.8.3 Targets**

- (b) Appropriate AML/CTF/CPF information regularly maintained and exchanged among stakeholders by June 2027; and
- (c) AML/CTF/CPF database created by December, 2022.

#### **4.9 Objective 9:**

New products, technologies, services, delivery channels and other business practices with ML/TF/PF risks mitigated launched.

##### **4.9.2 Strategy**

- (a) Establish mechanism to enable reporting persons to launch ML/TF/PF risks mitigated new products, technologies, services, delivery channels and other business practices.

##### **4.9.3 Target**

- (a) New products, services, delivery channels and practices and technologies with ML/TF/PF risks understood and mitigated, launched regularly by June 2027.

#### **4.10 Objective 10:**

Availability of Financial services that leave audit trail improved

#### **4.10.2 Strategies**

- (a) Encourage the use of formal financial services and financial inclusion products; and
- (b) Enforcement and follow up of cross border declarations of currency and bearer negotiable instruments.

#### **4.10.3 Targets**

- (a) 100% use of financial inclusion products with low ML/TF/PF risks attained by June, 2027;
- (b) 80% use of formal financial services attained by June, 2027;
- (c) 100% Cross border declarations of currency and bearer negotiable instruments attained by June, 2027; and
- (d) Trail of cross border declarations of currency and bearer negotiable instruments regularly tracked by June, 2027.

#### **4.11 Objective 11:**

AML/CFT/CPF awareness to stakeholders and the public enhanced.

#### **4.11.2 Strategies**

- (a) Conduct AML/CTF/CPF awareness/public education programs and train AML/CTF/CPF trainers; and
- (b) Designate AML/CTF/CPF training institutions and require reporting persons' personnel to obtain relevant AML/CTF/CPF certifications.

#### **4.11.3 Targets**

- (a) Public understanding and compliance of AML/CTF/CPF requirements increased from 25% to 75% by June, 2027;
- (b) Seventy (70) AML/CTF/CPF trainers trained by June, 2025; and
- (c) Short courses on AML/CTF/CPF rolled out and certificates issued by professional institutions by June, 2024.
- (d) The log frame for the implementation of National

The detailed Log Frame for Implementation of AML/CTF/CPF Strategy indicating the responsibilities of specific institutions for specific activities is attached hereto as **Appendix II**.



## **CHAPTER FIVE**

### **Roles and Responsibilities of Key Stakeholders**

#### **5.1 Introduction**

The AML/CTF/CPF Strategy 2022/23-2026/27 mainly focuses on creating an enabling environment for effective implementation of AML/CFT/CPF measures in the URT in order to establish a robust regime. Such an enabling environment shall be coordinated by the National Multi-Disciplinary Committee (NAMDC).

#### **5.2 Assignment of Duties and Responsibilities Among Stakeholders**

The key implementers of the AML/CTF/CPF Strategy, 2022/2023-2026/27 can be classified into two broad categories comprising the public sector and the private sector. The public sector includes the Ministries and other Independent Government Departments, the National Multi-Disciplinary Committee on Anti-Money Laundering, the Financial Intelligence Unit, Law Enforcement Agencies, Regulators, Prosecution Services and the Judiciary.

The Private Sector is mostly made up of Reporting Persons comprising Financial Institutions and Designated Non-Financial Businesses and Professions (DNFBP, i.e Lawyers, Accountants, Dealers in Precious Stones and Metals, Clearing Agents, Land Developers, Auctioneers, Motor Vehicle Dealers, Gaming Operators and Brokers of Real Estate Agents).

##### **5.2.1 The Public Sector (Government)**

###### **(a) Ministerial Level**

The Ministries responsible for finance in Tanzania Mainland and Zanzibar will champion this strategy and will be overall in charge over its administration. The Ministry of Home Affairs will be responsible for matters relating to investigation of financial crimes through the DCI, combating the terrorism and processing the designation of domestically and communicating international designation to

members of the public. The Ministry of Foreign Affairs and East African Cooperation will be responsible for matters relating to regional and international cooperation, including the United Nations on matters relating to Resolutions, conventions and communication to the government of Tanzania the UNSC Targeted financial sanctions. The Ministries responsible for Constitutional and Legal Affairs in Tanzania Mainland and Zanzibar will be responsible for legal matters including the enactment and amendment of laws, mutual legal assistance and extradition.

### **(b) The National Multi-Disciplinary Committee on Anti-Money Laundering**

The National Anti-Money Laundering Multi-Disciplinary Committee (Non is an AML/CFT/CPF coordinating authority in Tanzania and is also responsible for advising the Government of the United Republic and the Revolutionary Government of Zanzibar on AML/CFT/CPF matters generally. It will be responsible for monitoring implementation of this strategy and advising the Governments as appropriate.

### **(c) Other Stakeholders**

Other stakeholders that are directly responsible for implementing this strategy are:

- i) The Financial Intelligence Unit shall be a national center for receipt and analysis of STRs and other information relevant to money laundering, associated predicate offences and terrorist financing, and for the dissemination of intelligence to LEAs, and supervise reporting persons for AML/CTF/CPF compliance;
- ii) Law enforcement agencies that shall investigate ML and the underlying predicate offences, TF, PF and submit cases to Prosecution Services, as well as conduct civil assets forfeiture;
- iii) Regulators that shall supervise Reporting Persons for AML/CFT/CPF compliance;
- iv) Prosecution services that shall prosecute ML and the underlying predicate offences, TF, PF as well as conduct civil and criminal assets forfeiture;

- v) Registries that shall obtain and keep KYC/CDD information of natural persons, legal persons and legal arrangements, and shall avail the necessary information to AML/CFT/CPF stakeholders. Information on legal persons and legal arrangements shall include beneficial ownership and control information; and
- vi) Judiciary that shall adjudicate ML and the underlying predicate offences, TF, PF.

### **5.2.2 The Private Sector**

The private sector is a key player under the AML/CFT/CPF strategy. The private sector comes in primarily as Reporting Persons (financial service providers). Reporting Persons can be divided into Financial Institutions and Designated Non-Financial Businesses and Professions (DNFBPs). Financial Institutions include Banks, Insurance Companies, Securities Dealers, Money or Value Transfer Services (MVTs), while DNFBPs include Lawyers, Accountants, Dealers in Precious Stones and Metals, Clearing Agents, Land Developers, Auctioneers, Motor Vehicle Dealers, Gaming Operators and Brokers of Real Estate Agents. Reporting Persons are required to implement KYC/CDD measures, to monitor customer transactions and submit STRs and other information to the FIU. They are also required to report other information to other competent authorities and ensure that their products, services and delivery channels are not abused for ML/TF/PF purposes.

### **5.2.3 Academic and Professional Institutions**

Public and private academic and professional institutions will be responsible for providing AML/CTF/CPF education to AML/CTF/CPF stakeholders and other parties.

#### **5.2.4 The General Public**

Members of the general public should be aware of the crimes of ML/TF/PF, and their obligations under AML/CFT/CPF legislation. Primarily, the public should refrain from committing ML/TF/PF crimes, and they should be prepared to cooperate with authorities and service providers when discharging their duties and responsibilities, as when customers are required to produce CDD documents, or to make statutory declarations on cash and Bearer Negotiable Instruments (BNIs) when crossing country borders.

#### **5.3 Expected Results from the Implementation of AML/CTF/CPF Strategy**

The AML/CTF/CPF Strategy 2022/23-2026/27 expected results are a robust legal AML/CFT/CPF regime that facilitates cooperation and coordination among stakeholders. The adoption of risk-based approach and the relevant strategies will ensure understanding and assessment of ML/TF/PF to enable allocation of resources to the high-risk areas and effectively prevent money laundering, terrorist financing and proliferation financing, which will ultimately achieve a broader objective of reducing ML/TF/PF in URT, and the associated crimes. Ultimately, the URT will abide to international standards on AML/CTF/CPF and best practices and achieve economic stability and efficiency.

## **CHAPTER SIX**

### **Monitoring and Evaluation Framework**

#### **6.1 Introduction**

AML/CFT/CPF Strategy Monitoring and Evaluation (M&E) system is instituted as a review mechanism to monitor progress and assess the level of attainment of specific targets planned.

The Ministries responsible for finance, Tanzania Mainland and Zanzibar will be the overall in charge and the NAMDC will be responsible for overall monitoring and evaluation of the Strategy. For effective monitoring and evaluation, each stakeholder will have to establish a reliable internal monitoring system and ensure capacity is available to assess efficiency and effectiveness of their respective organizations in relation to the Strategy.

The Monitoring and evaluation will involve, among other things conducting baseline survey, establishing performance indicators, and setting M&E framework. Tracking progress on implementation of the milestones and targets will be done periodically. In addition, there will be an annual review, which will focus on assessing whether the planned activities are in line with the achievement of set targets. Mid-term review of this Strategy will be done every year and whenever need arises. Moreover, there shall also be oversight and supervision to ensure effective implementation of the Strategy. Audit and compliance functions at the Institution level shall also form part and parcel of the oversight under this Strategy.

Detailed Performance Indicators matrix which is in **Appendix III** elaborates the way to monitor and evaluate implementation of the Strategy.

## **6.2 Objectives and Guiding Principles of AML/CTF/CPF Strategy M&E Framework**

### **6.2.1 Overall and Specific Objectives**

The overall objective of M&E Framework is to guide implementation of the strategy and its objectives with a view to maximizing efficiency and effectiveness of the intervention mechanism. Specifically, the M&E framework intends to:

- (a) establish benchmark of indicators for strategy and programme assessment;
- (b) set targets and standards for policy implementation;
- (c) guide actors' participation in implementation and monitoring activities; and
- (d) control use of resources during implementation.

### **6.2.2 Guiding Principles of M&E**

The AML/CTF/CPF Strategy monitoring and evaluation framework will be under the following guiding principles:

- (a) Harmonization of this M&E framework with other M&E systems of the Government;
- (b) Adopt and use of result-based management system;
- (c) Start from the current situation;
- (d) Capacity building on current M&E activities; and
- (e) Flexibility in revising the M&E framework.

### **6.3 Scope of M&E Framework**

The M&E framework covers the following scope:

- (a) Measurements of input, process, outputs, outcomes and impacts of the AML/CFT/CPF 2022 Strategy implementation;
- (b) Database and reports shall be used for the AML/CFT/CPF 2022 Strategy Monitoring and Evaluation framework; and
- (c) Monitoring of planning and implementation thereof, including the financial and physical progress.

## 6.4 Data Collection and Analysis

Data for monitoring and evaluation will be collected routinely using appropriate tools such as; periodic performance reports, activity reports, mutual evaluations, risk assessments, oversight and compliance reports. The central data bank to be established will facilitate easy access of data for M&E. The data collected will appropriately be evaluated, collated, and analysed. The actions thereafter will reflect results of that analysis.

## 6.5 Reporting Schedule

Reporting schedule for the Strategy Monitoring and Evaluation Framework is elaborated in **Table 2.0**

**Table 2.0: Reporting Schedule for the Strategy Monitoring and Evaluation Framework**

Type of reports	Contents	Frequency
NAMDC	A consolidated report covering the key indicators outlined in the Strategy	Semi Annually/ Annually
Ministries, Departments and Agency (MDA) reports	Performance reports on implementation of activities in accordance with the provisions of the strategy	Quarterly/Annually
Regulators	Performance report on implementation of AML/CFT/CPF activities in accordance with the provisions of the strategy	Quarterly/annual
FIU	Performance report on implementation of activities in accordance with the provisions of the strategy	Quarterly, semi-annual, annual
Prosecution Services and LEAs	Performance report on implementation of activities in accordance with the provisions of the strategy	Quarterly, semi-annual, annual
Reporting Persons	Performance reports on implementation of AML/CFT/CPF activities in accordance with the provisions of the strategy.	Quarterly, semi-annual, Annual
Researchers, Civil Societies, Academicians and Media	Surveys and Studies on AML/CFT/CPF issues and provisions of this strategy.	Quarterly, Semi-annual, annual, ad hoc

Type of reports	Contents	Frequency
Houses		

**6.5.1 Reporting Flow**

The reports on achievement of targets and milestones will be prepared by responsible institutions and forwarded to the NAMDC for consolidation. The NAMDC will produce consolidated performance reports on semi-annual and annual basis and submit it to MOFP for record and necessary action.

**6.5.2 Feedback Mechanism**

Feedback Mechanism provides a two-way flow of information between report producers and users, the feedback should be incorporated in the lateral linkages among stakeholders to improve the quality of reports and report submission.

**6.6 Use of Monitoring and Evaluation Information**

The M&E reports will be used by the Ministries and MDAs, Prosecution Services, LEAs, FIU, Regulators, Reporting Persons, Regional and International Bodies, Researchers, Civil Societies, Academicians and Media Houses and other stakeholders for:

- (a) Compliance and better services delivery;
- (b) Self-assessment and improvement;
- (c) Mutual Evaluation and Risk Assessment;
- (d) Decision making;
- (e) Planning; and
- (f) Resources allocation.



## Appendices

### Appendix I: SWOC Analysis

No.	CRITERION	Strength	Weakness	Opportunities	Challenges
1.	ML/TF/PF risk identifications and assessment	<p>(a) Existence of law requiring all reporting person, regulators and the national committee to ensure understanding of risks, conducting assessments and putting in place mitigation measures;</p> <p>(b) Availability of National Risk Assessment of 2016;</p> <p>(c) Availability of risk Assessment guidelines;</p> <p>(d) Initiation of Institutional and sectoral risk assessments;</p> <p>(e) Availability of domestic experts</p>	<p>(a) Lack of understanding of the risks and capacity to conduct risk assessments among many stakeholders;</p> <p>(b) Outdated National Risk Assessment;</p> <p>(c) Inadequate financial resources;</p> <p>(d) Lack of domestic tool/mechanism to undertake risk assessment</p>	<p>(a) Availability of retail and internationally acceptable tools for conducting AML/CFT/CPF Risk assessments;</p> <p>(b) Technical Assistance and funding support for capacity building and conduct risk assessments;</p> <p>(c) International standards and recommended best practices;</p> <p>(d) FATF's specific guidelines and typology reports.</p>	<p>(a) Rapid change of ML/TF/PF risk landscape;</p> <p>(b) Most of available tools are generic and some are cumbersome to use particularly for small or medium size Reporting persons;</p> <p>(c) technical assistance may not be available for small or medium size reporting person or DNFBPs;</p> <p>(d) Rapid change of technology may result to added costs for procuring the relevant tool to reporting persons.</p>

No.	CRITERION	Strength	Weakness	Opportunities	Challenges
2.	Domestic coordination on of AML/CTF/CPF	<p>(a) Existence of legal and intuitional framework providing for mandatory cooperation, exchange of information and coordination;</p> <p>(b) Identification of the National Committee as AML/CFT/CPF coordinating organ/authority;</p> <p>(c) Existence of institutional databases to maintain statistics and having linkages with other stakeholders' databases;</p> <p>(d) Support of human and financial resource</p>	<p>(a) Strict adherence to secrecy and confidentiality requirements without proper gateways to facilitate exchange of information and cooperation initiatives;</p> <p>(b) Lack of adequate funds and commitment, irresponsibility, poor infrastructure and lack of skilled staff;</p> <p>(c) Physical structural separation of institutions resulting to loss of ad hoc communication and lack of contact among team members; duplication of processes and problems of time management.</p>	<p>(a) Sound planning and having roadmap of the goals;</p> <p>(b) Sound organizational structure with clearly defined objectives and defined individual roles with emphasis on corporation and coordination;</p> <p>(c) Formation of Committees, forum of focal persons or joint action;</p> <p>(d) Comprehensive policies, strategies and programs for coordination and cooperation;</p> <p>(e) Voluntary Cooperation and effective Communication;</p> <p>(f) Investing in the coordination and cooperation mechanisms and tools through capacity building both in human and financial resources;</p> <p>(g) Provision of feedback and rewards;</p>	<p>(a) In absence of coordination duplicate of activities</p> <p>(b) lack of trust among stakeholders and failure of implementation of plans, policies or strategies in a coordinated manner. This may also be caused by participating agencies or individuals having a history of poor relations with each other or they may never have worked with each other before and therefore causing suspicion and doubt and lead them to see each other as threats, competitors, or untrustworthy;</p> <p>(c) Threats to Autonomy as some institutions fear that coordination will reduce their freedom to decide over their own programs;</p> <p>(d) Disagreement among operational agencies as persons or groups disagree about needs to be met, services to be provided, programming approaches;</p> <p>(e) The diversity of mandates, policies, and procedures, as well as ideologies, values, and vested interests among organizations, leads to fragmentation within the "human response" system.</p>
3.	International cooperation	<p>(a) Existence of International standards for</p>	<p>(a) exploit human resource;</p> <p>(b) Associated high costs.</p>	<p>(a) Building a comprehensive and efficient international capacity;</p>	<p>(a) Cumbersome procedures to establish and implement regional and international cooperation</p>

No.	CRITERION	Strength	Weakness	Opportunities	Challenges
		<p>international cooperation;</p> <p>(b) Existence legal and institutional framework supporting international cooperation.</p> <p>(c) membership to regional and international organizations;</p> <p>(d) Existence of MOUs or MMOUs on international cooperation and information exchange and assistance on investigation;</p> <p>(e) Commitment of the</p> <p>(f) Government to institutionalize international cooperation for AMLCFT including new legislation</p>		<p>(b) Ratifying and implementing international conventions;</p> <p>(c) Complying with the FATF Recommendations and other sector-specific international standards;</p> <p>(d) Availability of cooperating regional and international bodies;</p> <p>(e) Availability of international standards and best practices;</p> <p>(f) the gains of minimizing the negative (or maximizing the positive) spillover effects the actions of some countries have on others;</p> <p>(g) capacity to produce positive outcomes. Very often there is no alternative to cooperation;</p> <p>(h) cooperation is for a better cause than government interests even if the initial reasoning behind a particular agreement is questionable, it's important not to discount potential beneficial outcomes.</p>	<p>(b) Membership to regional and international cooperation is highly demanding in terms of expertise and resources</p> <p>(c) willingness to share information in a timely manner is a challenge;</p> <p>(d) International cooperation is often defined by coercion and domination, with key actors bullying others into cooperating;</p>
4.	Effective supervision on financial institutions and DNFBPs	(a) Existence of legal frame work designating FIs and DNFBPs as reporting persons;	(a) Inadequate capacity and awareness among supervisors or regulators and DNFBPs; and	(a) Availability of regional and international bodies to guide on appropriate methods of supervising the FIs and DNFBPs;	(a) the level of income of some DNFBPs has a positive relationship with the level of effectiveness in AML/CFT supervision;

No.	CRITERION	Strength	Weakness	Opportunities	Challenges
		<p>(b) Existence of International standards and Typology studies on Risks and trends on ML/TF related to DFNBP;</p> <p>(c) Availability resources and tools for supervision.</p>	<p>(b) Inadequate human and financial resources</p>	<p>(b) Availability of best practices and international standards;</p> <p>(c) Availability of regional and international Technical Assistance in terms funding and training;</p>	<p>(b) DNFbps are identified as a vulnerable sector and have a higher risk of being considered attractive channels for ML/FT and financial crime operations. They are likely to be the weakest link to crack in the whole ML chain when criminals come to introduce illicit cash proceeds into the financial system;</p> <p>(c) The majority of the DFNBP sector constitutes of sole practitioners, and therefore face challenges in complying with their obligations under the relevant AML legislation;</p> <p>(d) DNFbps do not have resources and manpower available to them to meet their obligations under the law.</p>
5.	Financial institutions and DNFbps adequately apply preventive measures commensurate with risk and report STRs	<p>(a) Existence of appropriate legal and institutional framework;</p> <p>(b) guidance, information and support from regulators and the government;</p> <p>(c) Availability of officers in almost financial institutions and some DNFbps;</p> <p>(d) Availability of financial resources;</p>	<p>(a) High compliance costs including putting in place programs, procedures and training of staff;</p> <p>(b) Lack of awareness and capacity for a number of stakeholders;</p> <p>(c) slows the pace of transactions; it may even lead to a decision to avoid business relationships with those persons and institutions.</p>	<p>(a) Sharing of compliance costs with related businesses (for example, a subsidiary and holding company or as part of a franchise;</p> <p>(b) provides high degree of transparency;</p> <p>(c) early detection, response, and elimination of inherent and residual money laundering, terrorist financing, and fraud-related risks;</p>	<p>(a) Core operational systems upgrading to required standards is costly;</p> <p>(b) High turnover of experts among institutions and sectors;</p> <p>(c) Leads to exclusion of millions of low-income people from formal financial services;</p> <p>(d) relegate the unserved majority to the informal world of cash and thus undermining social and economic advancements and denying regulators and</p>

No.	CRITERION	Strength	Weakness	Opportunities	Challenges
		<ul style="list-style-type: none"> <li>(e) deterrence of crimes;</li> <li>(f) proactive identify and correction of deficiencies;</li> <li>(g) self-testing that aids in growth of an institution;</li> </ul>		<ul style="list-style-type: none"> <li>(d) AML/CFT controls help institutions understand their customers better, thereby enabling them to design and market better products and support better customer service in general;</li> <li>(e) protects the most vulnerable members of society through creation of societies where crime is less prevalent;</li> <li>(f) Availability of regional and international partners to provide awareness and capacity building;</li> <li>(g) Availability of external funding sources and expertise;</li> <li>(h) Availability of different approaches on the design of appropriate AML/CFT controls;</li> <li>(i) policies, design or principles for financial access with adequate AML/CFT controls;</li> </ul>	<ul style="list-style-type: none"> <li>law enforcement a key means of strengthening financial integrity;</li> <li>(e) Preventive measures are enforced with serious penalties, such as large fines and imprisonment. A convicted institution's reputation may suffer; it may lose customers and business relationships and may even lose its license.</li> </ul>
6.	Legal persons and arrangements are prevented from misuse	(a) Existence of legal frame work that require mandatory maintenance of BO information by all registries of legal	(a) Most registries are subject to different confidentiality and secrecy laws and therefore reluctant to	(a) Availability of commercial registers for holding beneficial ownership information;	(a) Multiple legal structures and/or corporate vehicles (particularly in the case of offshore entities subject to different laws, regulatory requirements and client documentation;

No.	CRITERION	Strength	Weakness	Opportunities	Challenges
	for ML or TF or PF	<p>persons and legal arrangements and requiring reporting person to conduct enhanced due diligence on legal persons and arrangements where they are considered to pose high risk;</p> <p>(b) Existence of registries which maintain basic and beneficial ownership information;</p> <p>(c) Availability of databases in relevant institutions</p>	<p>avail reporting persons BO information;</p> <p>(b) Information in registries not fully updated and accessibility is limited;</p> <p>(c) High cost of maintaining databases.</p>	<p>(b) Possibility of establishment of centralized database at one place to facilitate easier checks or verification by reporting persons and therefore preventing contradictory information;</p> <p>(c) Availability of best practices and international standards;</p> <p>(d) Enhanced due diligence combined with human intelligence can deliver critical insights when conducting beneficial ownership checks on higher risk subject;</p> <p>(e) Availability of external funding sources and expertise;</p> <p>(f) Identification, verification, and screening of the ultimate beneficial owners, facilitates identifying ill-gotten funds, and expose criminals;</p>	<p>(b) secrecy havens can obscure the ownership of a legal entity and accentuate the problem of identification and verification;</p> <p>(c) Carefully constructed layers of complexity in legal persons and legal arrangements can obscure the identities of the real beneficial owners of these entities, allowing financial crime to flourish;</p> <p>(d) Corruption in legal persons and legal arrangements formation/establishment is costing governments, societies and companies trillions of funds and remains a far-reaching phenomenon that affects countries the world over;</p> <p>(e) extensive time delays, to access the necessary ownership information;</p> <p>(f) Public beneficial ownership registers offer many other benefits, too. They speed up processes and support transparency, but challenges nonetheless exist in terms of whether the information recorded in the register is complete and reliable.</p> <p>(g) Asking the client is time consuming and data is usually non-standardized. Moreover, clients with something to hide</p>

No.	CRITERION	Strength	Weakness	Opportunities	Challenges
					<p>will likely not supply accurate information;</p> <p>(h) Utilizing a data aggregator's coverage may be partial, and information may be out of date;</p> <p>(i) Engaging in sideways research — in other words using a wide range of secondary sources and registries — can quickly become manual, time-consuming and costly undertaking.</p>
7.	Effective use of financial intelligence by competent authorities	<p>(a) Availability of legal and intuitional frame work;</p> <p>(b) Availability of specialized financial investigations unit in LEAs</p> <p>(c) Availability of expertise among stakeholders</p>	<p>(a) Unreliable Intelligence Sources;</p> <p>(b) Lack of Standardization leading to elements of waste and unneeded duplication of effort with what LEAs ordinary do when conducting investigation;</p> <p>(c) Absence of Intelligence analysts who are effectively able to find patterns and incongruities in information and apply knowledge of past threats to new data and prepare useful intelligence reports;</p> <p>(d) Lack of Technology Capabilities to enable thorough analysis of the information;</p>	<p>(a) Establishing standard operational procedures among financial intelligence units (FIUs), law enforcement agencies and prosecutors (LEAs) that ensures that financial Intelligence records on transactions and other reports are used proactively, retroactively or reactively and strategically;</p> <p>(b) Law Enforcement use Financial Intelligence report to identification financial crime motives aided by the analysis, patterns, trends associations, and links to people, places and underlying criminal activity;</p> <p>(c) developing practical solutions to assist better demonstration on how financial intelligence is</p>	<p>(a) Inadequate capacity of analysts to produce good financial Intelligence reports as well as having in place good analytical tools/systems is a major challenge;</p> <p>(b) Lack of capacity by LEAs to interpret the information in the Financial Intelligence reporting thus reducing the reports to mere information or notification;</p> <p>(c) Absence of financial investigation unit among LEAs or where they exist, they are treated as a support unit, when they can proactively guide many investigative functions. In reality, a police or other law enforcement agency financial intelligence unit may be placed best organizationally within an operations unit or division. The direct line of communication and the high degree of interaction is required between</p>

No.	CRITERION	Strength	Weakness	Opportunities	Challenges
			<p>(e) Lack of specialized financial investigation units in some LEAs</p> <p>(f) Inadequate resources</p> <p>(j) Intelligence collection systems are expensive.</p>	<p>effectively managed among the competent authorities responsible for combating money laundering, associated predicate offences, and terrorist financing;</p> <p>(d) Availability of international standards and best practices on the use of Financial Intelligence reports by the LEAs;</p> <p>(e) Availability of relevant regional and international bodies to provide guidance, standards and typology studies.</p>	<p>financial intelligence analysts and investigators to provide a richer interchange of information and ideas, thereby enhancing the quality of investigation.</p>
8.	Application of appropriate sanctions on ML/TF/PF offences	(a) Existence of the legal framework that provides competent authorities with the necessary duties, powers and sanctions but also with the laws that create money laundering and terrorist financing offenses, plus enforcement power that provides for freezing, seizing and confiscation of the proceeds of crime and terrorist funding.;	<p>(a) Non application of proportionate and dissuasive penalties, sanctions or taking administrative measures for contraventions by supervisory authorities, regulators, FIU and courts of law;</p> <p>(b) Lack of awareness of regulators/supervisory authorities of their obligation to apply sanctions for contraventions;</p>	(a) Provides Communication between the reporting persons and supervisors/regulator by Supervisors communicating clearly with reporting persons when issues arise, so that the reporting person understand their contravention and shortcomings, what supervisors expect (including the remedial action required), and the timeframe within which possible remedial work/actions must be completed.	<p>(a) Managing cross-border and multi-jurisdictional contraventions and sanctions is challenging for supervisory authorities despite existence of cooperation agreements and taking action to resolve AML deficiencies revealed by regulatory assessments are similarly tricky tasks in these circumstances;</p> <p>(b) Lack of skilled personnel within the reporting persons and supervisory authorities to apply appropriate sanctions on ML/TF/PF offence;</p> <p>(c) Complicated procedures for applying sanctions including ensuring affording the defaulting party to make representation hinders proper</p>



No.	CRITERION	Strength	Weakness	Opportunities	Challenges
		<p>(b) Application of proportionate and dissuasive penalties, sanctions or taking administrative measures for contraventions by supervisory authorities, regulators, FIU and courts of law;</p> <p>(c) Availability of a sufficient range of sanctions that can be applied proportionately to greater or lesser breaches of supervisory requirements. This range extend from taking informal remedial actions to taking formal supervisory actions addressing the specific deficiencies identified, effective at ensuring future compliance by the sanctioned institution, and dissuasive of non-compliance by others.</p>		<p>(b) Ability of the sanctions to influence and foster a corporate culture that contributes to effective risk management and compliance with national laws;</p> <p>(c) Ability to develop action plans and timelines, and supervisory follow-up to ensure that the required measures are effectively implemented. These plans, timelines and follow up may include sufficient detail in terms of required action, deadlines and the nature of supervisory follow-up.</p> <p>(d) Availability of a wide range of supervisory measures, such as warnings, action letters, limitations and conditions for activities of the financial institution, which may be progressive in severity, requiring financial institutions to remedy AML/CFT control deficiencies and any breach of AML/CFT obligations or failure to mitigate ML/TF risks in a timely manner.</p> <p>(e) Availability of educational measures (such as explaining and/or providing</p>	<p>application of sanctions for contraventions.</p>

No.	CRITERION	Strength	Weakness	Opportunities	Challenges
				<p>supporting), normative measures (persuading and/or guiding) and deterrent (punishing and/or rewarding). In some cases, explaining the background to a standard or norm suffices, while in others it will be necessary to impose a sanction. A choice can also be made between a group and individual approach; formal measures will always be targeted at an individual institution. Interventions are geared to the specific situation, cause and severity. In extreme cases, a solution will have to be found on the same day. In other cases, relatively light interventions will suffice and the use of formal enforcement instruments will not be necessary. Choices made are subject to peer review by colleagues, and the choice of enforcement instruments to be used is based on the enforcement policy.</p>	
9.	Proceeds and instrumentalities of crime are confiscated	(a) Existence of legal and institutional framework that allow confiscation of proceeds and instrumentalities of crime;	(a) Non implementation of the legal framework; (b) Lack of awareness, knowledge and experiences of the police, prosecutors and judges in the field of confiscation of	(a) Available technical assistance, peer-learning programs to provide training to law enforcement practitioners, judges, policy-makers with a view to promote the use of best practices on confiscation;	(a) Assets identification, tracing and maintenance is costly; (b) Crimes and illegal schemes generating proceeds are becoming more sophisticated and often involve

No.	CRITERION	Strength	Weakness	Opportunities	Challenges
		(b) Availability of experienced and knowledgeable staff on assets recovery	<p>the proceeds of crime as a reason for inefficient confiscation and lack of financial investigation carried out in practice;</p> <p>(c) Lack of specialized unit on confiscation;</p> <p>(d) Insufficient guidance and training, and poor resources to facilitate confiscation seizures, forfeiture of proceeds and instrumentalities of crime;</p> <p>(e) Lack capacity by appropriate law enforcement agencies (human and financial resources) on the management and disposal of seized and confiscated assets;</p> <p>(f) awareness and capacity among stakeholders;</p> <p>(g) Incomplete records of tainted assets;</p> <p>(h) Inadequate resources to identify and trace the assets;</p> <p>(i) Lack of unified assets recovery unit and databases</p>	<p>(b) Establishing a framework for managing or overseeing the management of frozen, seized and confiscated property. This should include designated authority who are responsible for managing (or overseeing management of) such property. It should also include legal authority to preserve and manage such property;</p> <p>(c) Existence of the Asset Recovery Inter-Agency Network for Southern Africa (Arinsa) which is an informal multi-agency network for participating countries the enables participating members to exchange information, model legislation and laws in asset forfeiture, confiscation and money-laundering;</p> <p>(d) Availability of best practices and international standards to guide;</p> <p>(e) Availability of regional and international bodies to guide;</p> <p>(f) Availability of regional and international cooperation to facilitate information sharing.</p>	<p>commission of criminal acts in multiple jurisdictions. This makes practical enforcement of criminal legislation more challenging for law enforcement and prosecution agencies;</p>
10.	Relevant UNSCRs and other international	(a) Existence of domestic legal and frame work providing the basis for the	(a) Lack of awareness members of the public, supervisory authorities and reporting on their	(a) Development of efficient and effective means of communication of	(a) The UNSCRs designation list involved large number of people and entities, follow ups

No.	CRITERION	Strength	Weakness	Opportunities	Challenges
	and regional agreements are adhered to	<p>implementation of international agreements;</p> <p>(b) Availability of focal persons and ambassadors at the UN and the relevant UNSC Committee;</p> <p>(c) URT membership to UN and ratification of by URT to the relevant UN Treaties, Conventions and other international instruments;</p> <p>(d) Designated authorities locally for implementation of UNSCRs;</p> <p>(e) Well-defined structures at the UN UNSCRs;</p> <p>(f) Availability of Targeted Sanction list that is updated regularly.</p>	responsibilities on the Targeted Financial Sanctions issued by UNSCR 1267 and 1373;	<p>designations for targeted financial sanctions;</p> <p>(b) Development of practical guidance to private sector with respect to their obligations on the targeted financial sanctions;</p> <p>(c) Providing timely feedback to reporting persons where necessary.</p>	on updated may be cumbersome

**Appendix II: A Log Frame for Implementation of AML/CTF/CPF Strategy 2022/23 – 2026/27**

No.	Objective	Strategy	Targets	Activities	Responsible Institution
1.	Risk based approach in combating ML/TF/PF effectively implemented by all reporting persons	Continuous understanding of ML/TF/PF risks	AML/CTF/CPF awareness raising on risk-based approach conducted by 2025;	(a) Registration of All DNFBPs on goAML System; (b) Conduct AML/CTF/CPF workshops, trainings and seminars to DNFBPs on Risk Assessment;	NAMCD, FIU, Regulators; Reporting persons
			ML/TF/PF risk assessment at the national, sectoral and institutional level are regularly reviewed and updated by AML/CTF/CPF stakeholders by June, 2025	(a) NAMDC complete Review of the NRA by 30th June, 2022; (b) Submission of Sector Risk Assessment Reports by All regulators by 10th July 2022 and updates by 30th June each year; (c) Submission of Risk Assessment Reports by all DNFBP (d) Review, update and issue guidelines on risk assessment for sectoral and institutional level	NAMCD, FIU, Regulators; Reporting persons
		Effective mitigation of ML/TF/PF risks	Resources allocated annually according to identified ML/TF/PF risks by 2027.	(a) Issue guidelines on application of risk-based approach for sectoral and institutional level; (b) Conducting thematic onsite inspection to verify Risks Assessments,	FIU, Regulators and Reporting persons.

No.	Objective	Strategy	Targets	Activities	Responsible Institution
				mitigation measures and budgetary allocation to risks identified;	
2.	Domestic and international AML/CFT/CPF stakeholders' cooperation attained.	Appropriate mechanism for domestic coordination and international cooperation in place.	Domestic central coordination and cooperation mechanism among stakeholders formulated and implemented by June, 2023;	<p>(a) Designation of NAMDC as AML/CFT/CPF coordinating authority;</p> <p>(b) Appointment of focal persons to be liaison person between the NAMDC and various key stakeholders or establish a steering committee / technical working group for NAMDC;</p> <p>(c) NAMDC to convene annual meeting of stakeholders with specific themes for presentation during the meeting;</p> <p>(d) Create a national AML/CFT/CPF database at FIU to host all AML/CFT/CPF information</p>	NAMDC, FIU, LEAs, Regulators.
			(a) Agreements for cooperation among domestic and international stakeholders periodically entered by 2027	(a) Supervisory authorities to enter into MOU to foster cooperation and coordinate inspections or investigation on ML/TF/PF.	Regulators, LEAs, FIU, NAMDC

No.	Objective	Strategy	Targets	Activities	Responsible Institution
			(b) Regional and International agreements implemented by 2027	(b) Ratification or Accession of AML/CFT/CPF related Regional and International agreements	MoFAEC, MoHA, AG, FIU
3.	Reporting persons Effectively apply AML/CFT/CPF preventive measures	Awareness raising on relevant AML/CFT/CPF preventive measures;	Level of compliance with AML/CFT/CPF measures increased to at least 80% from the current 10% by 2027	(a) Conduct awareness raising/training to Reporting persons. (b) Issue specific guidelines; (c) Conduct thematic onsite inspections to verify application of preventive measures	Regulators, FIU Reporting Persons,
Sanctioning for non-compliance applied effectively, proportionately and dissuasively by 2027	(a) Taking proportionate administrative sanctions for non-compliance including remedial measures, warnings or agreeing to specific performance actions within specific timelines; (b) Suspension of licenses where non-contraventions are not abated;				

No.	Objective	Strategy	Targets	Activities	Responsible Institution
		Periodically review of legislation to enhance provisions on Customer Due Diligence (CDD), maintenance of customer records, internal controls and employees' capacity building	AML/CFT/CPF guidelines to reporting persons issued continuously by 2027	(a) Issue guidelines on AML/CFT/CPF matters and circulate guidelines; (b) Submission of legislative proposals for Amendments or enactment of new relevant laws;	MOFP, PO-FP Zanzibar NAMDC, FIU MOHA, Regulators
4.	Competent Authorities capacity on analysis, investigation, prosecution and adjudication of ML and the underlying predicate/specified offences, TF, PF. enhanced	Appropriate capacity building programs for competent authorities in terms of human, financial and technical resources in place.	Use financial intelligence, parallel financial investigations and prosecution of ML/TF/PF increased from 5% to 50% by 2027;	(a) Conduct trainings, on use of financial intelligence and parallel investigations to prosecutors, investigators and analysts. (b) Acquire appropriate modern analytical tools for FIU and LEAs; (c) Initiate ML/TF/PF proceedings in Courts of law; (d) Develop standard operation procedures on the use of	DPP Zanzibar, NPS, FIU, LEAs and Judiciary.



No.	Objective	Strategy	Targets	Activities	Responsible Institution
				Financial Intelligence reports; (e) LEAs to provide periodic reports/feedback on cases in which intelligence reports were effectively used;	
			Speed of adjudication of ML/TF/PF cases improved from 2-3 years to 1 year by 2027.	(a) conduct training to law judges/magistrates and enforcement agencies on the use Intelligence Report, and how conduct financial crimes investigation and adjudication of financial crimes; (b) appoint investigation teams including financial experts to conduct investigations; (c) encourage the use of techniques and tools that facilitate faster information gathering.	MoCLA (Tanzania Mainland and Zanzibar), Judiciary, DPP Zanzibar, NPS, FIU, LEAs

No.	Objective	Strategy	Targets	Activities	Responsible Institution
			Assets recovered increased by more than 50% of the asset involved currently by 2027	<ul style="list-style-type: none"> <li>(a) Conduct trainings, workshops, seminars and use Asset recovery and management to LEAs, judges and Magistrates;</li> <li>(b) Establish an Asset recovery and Management unit/authority;</li> <li>(c) Issue guidelines/operation procedures for Asset recovery and Confiscation</li> </ul>	
		Mechanism for coordination and cooperation among competent authorities in place.	Task forces, committees, fora, and networks to foster domestic, cooperation established by 2024;	<ul style="list-style-type: none"> <li>(a) Enter into MOUs for cooperation; exchange of information and investigations;</li> <li>(b) Conduct joint tasks /activities;</li> <li>(c) Dedicating special days for conducting roadshows, fairs, conferences</li> <li>(d) conduct scheduled meeting to discuss issues of common interest or crosscutting issues;</li> <li>(e) Conduct awareness programs on</li> </ul>	MOFP Mainland, PO-FP Zanzibar, MoCLA (Tanzania Mainland and Zanzibar), MOHA, Parliament, House of Representatives, NAMDC, FIU, OAG (Mainland and Zanzibar).

No.	Objective	Strategy	Targets	Activities	Responsible Institution
				AML/CFT/CPF related matters that concern their entities.	
			Feedback systems among AML/CFT/CPF stakeholders formulated and implemented by June, 2023	Establish/ put in place a feedback mechanism for all AML/CFT/CPF-related matters	NAMDC and All stakeholders
			Harmonized assets forfeiture mechanism formulated by 2024.	(a) Issue asset forfeiture guidelines; (b) Establish An Asset forfeiture unit to manage all assets forfeited;	DPP (both Mainland and Zanzibar), AGC(both Mainland and Zanzibar)
5.	Legal and institutional framework improved to comply with best practices and international AML/CFT/CPF standards	Enact, review and amending AML/CTF/CPF legislation (including subsidiary legislation, principles, standards and guidelines)	Relevant AML/CTF/CPF legislation are regularly reviewed by June, 2027	(a) Submission of AML/CTF/CPF related bills and promulgation of regulations, circulars, and guidelines as and when the need arise	MOFP Mainland, PO-FP Zanzibar, MoCLA (Tanzania Mainland and Zanzibar), MOHA, Ministry of Foreign Affairs and East African Co-operation, OAG (Mainland and Zanzibar), NPS, DPP Zanzibar, Competent Authorities, and Reporting Persons
		Strengthen and improve institutional framework	Institutional framework is streamlined by June 2027	(a) Review and reform existing institutions; (b) Submission to relevant authorities proposed institutional arrangements for approval;	MOFP Mainland, PO-FP Zanzibar, MoCLA (Tanzania Mainland and Zanzibar), MOHA, Ministry of Foreign Affairs and East African Co-operation, OAG (Mainland and Zanzibar)

No.	Objective	Strategy	Targets	Activities	Responsible Institution
				(c) Operationalize the designated institutions in in line with best practices and international AML/CTF/CPF standards.	Zanzibar), NPS, DPP Zanzibar, Competent Authorities, and Reporting Persons
6.	Transparency on the information on beneficial ownership and control of legal persons and legal arrangements for AML/CTF/CPF purposes enhanced	Registries continuously obtain, verify and update identity information on beneficial owners and control of legal persons and legal arrangements	Information on beneficial ownership and control of legal persons and legal arrangements in all registries updated by June, 2024;	(a) Registries databases updated regularly to have adequate and accurate BO information. (b) Appropriate sanctions applied to legal and natural persons for non-compliance on provision of information on beneficial ownership and control	MOHA, Ministries responsible for Industries and Trade both in Tanzania Mainland and Zanzibar, Ministry responsible for Community Development Tanzania Mainland, Ministry responsible for NGOs registrations in Zanzibar, Registries, and TRA
		Registries to avail beneficial ownership and control information of legal persons and legal arrangements to qualifying AML/CTF/CPF stakeholders	Information on beneficial ownership and control of legal persons and legal arrangements in registries accessed by qualifying AML/CTF/CPF stakeholders by June, 2024	(a) Provide access on BO information to all approved reporting persons; (b) Registries to appoint dedicated focal persons to assist reporting persons on their verification obligations; (c) Link all registries BO with FIU and LEAs to facilitate ease of reference in the	MOHA, Ministries responsible for Industries and Business both Tanzania Mainland and Zanzibar, Ministry responsible for Community Development Tanzania Mainland, Ministry responsible for NGOs registrations in Zanzibar, Registries, and TRA

No.	Objective	Strategy	Targets	Activities	Responsible Institution
				performance of their responsibilities.	
		Fast-track the issuance of identity cards to all eligible persons in URT (national identity cards for Tanzania mainland and resident identity cards for Zanzibar)	100% of eligible URT applications for identity cards issued with relevant smart IDs by June 2024	(a) Adequately capacitate NIDA and ZCSRA in terms of expertise, financial resource and technology.  (b) NIDA and ZCSRA to streamline core operating systems.	MOHA, MOFP Mainland, PO-FP Zanzibar, Ministry responsible for Community Development Zanzibar, Ministry responsible for Information, Communication and Information Technology for both Tanzania Mainland and Zanzibar, NIDA, ZCSRA and TCRA.
		Improve the quality of registration of mobile phone sim cards	Genuine and accurate CDD information provided by mobile network operators by June 2024	(a) Mobile Telephone Operators enhance CDD measure; (b) TCRA to issue sanctions /penalties to defaulting Mobile Telephone Operators and clients;	TCRA, Ministry responsible for Information, Communication and Information Technology for both Tanzania Mainland and Zanzibar; FIU
7.	United Nation resolutions and conventions and other international and regional agreements relating to AML/CFT/CPF effectively executed	Establish mechanism for domestic or international designation of targeted financial sanctions	Domestic or international designation of targeted financial sanctions regularly implemented by June, 2027	(a) Formulate and issue guidelines to guide Reporting persons on Targeted Financial Sanctions;  (b) Regularly follow up of UN sanction list updates;	MoCLA (Tanzania Mainland and Zanzibar), MOHA, Ministry of Foreign Affairs and East African Co-operation, NPS, DPP Zanzibar, NAMDC, FIU, LEAs, Regulators, Reporting Persons

No.	Objective	Strategy	Targets	Activities	Responsible Institution
				<p>(c) Designation of natural persons and entities as international or domestic terrorists;</p> <p>(d) Submission of quarterly reports on Targeted Financial Sanctions, MLA and Extradition to FIU for record purposes;</p>	
		<p>Transposition/ Domestication of AML/CTF/CPF related UNSCRs, regional and international agreements</p>	<p>AML/CFT/CPF legal and institutional framework streamlined with appropriate international and regional agreements by June, 2027</p>	<p>(a) Submit legislative proposal for domestication of AML/CFT/CPF international agreements;</p> <p>(b) Promulgation of regulations/ guidelines relevant to implementation of any international AML/CFT/CPF agreement.</p>	
8.	Effectively sharing of AML/CTF/CPF and predicate/specified offences information among stakeholders	Establish a mechanism for collecting, storing, updating, and sharing of AML/CTF/CPF and predicate/spec ified offences	AML/CTF/CPF database created by December 2022	Develop and operationalize an appropriate platform for collection, storage, and information sharing of AML/CFT/CPF information.	MOFP Mainland, PO-FP Zanzibar, MOHA, Ministry of Foreign Affairs and East African Co-operation, Competent Authorities, Registries, Reporting Persons, eGA for both Tanzania Mainland and Zanzibar, Tanzania

No.	Objective	Strategy	Targets	Activities	Responsible Institution
		information among stakeholders.			Intelligence and Security Services (TISS), OAG (Mainland and Zanzibar), NPS, DPP Zanzibar, and Judiciary.
			Appropriate AML/CTF/CPF information regularly maintained and exchanged among stakeholders by June 2027	(a) Information regularly collected, stored, updated, and shared.  (b) Implement regular data reconciliation procedures.	MOFP Mainland, PO-FP Zanzibar, MOHA, Ministry of Foreign Affairs and East African Co-operation, Competent Authorities, Registries, Reporting Persons, eGA for both Tanzania Mainland and Zanzibar, Tanzania Intelligence and Security Services (TISS), OAG (Mainland and Zanzibar), NPS, DPP Zanzibar, and Judiciary.
9.	New products, technologies, services, delivery channels and other business practices with ML/TF/PF risks mitigated launched	Establish mechanism to enable reporting persons to launch ML/TF/PF risks mitigated new products, technologies, services, delivery channels and other business practices	New products, services, delivery channels and practices and technologies with ML/TF/PF risks understood and mitigated, launched regularly by June 2027	(a) Issue guidance on issuance of new products, services, delivery channels and practices and new technologies to the market;  (b) Formulate mechanism for monitoring new products, services, delivery channels and practices	FIU, Regulators, Reporting Persons

No.	Objective	Strategy	Targets	Activities	Responsible Institution
				and new technologies issued to the market	
10.	Availability of Financial services that leave audit trail improved	Encourage the use of formal financial services and financial inclusion products	100% use of financial inclusion products with low ML/TF/PF risks attained by June, 2027	<p>(a) Issue guidelines to reporting persons on financial inclusion products;</p> <p>(b) Create awareness among stakeholders on financial inclusion products;</p> <p>(c) Increase products and service delivery coverage to rural, peripheral areas, and to disadvantaged and other vulnerable groups.</p>	MOFP Mainland, PO-FP Zanzibar, MoCLA (Tanzania Mainland and Zanzibar), Ministry responsible for Community Development (Tanzania Mainland and Zanzibar), MOHA, NAMDC, FIU, Regulators, Reporting Persons, eGA for both Tanzania Mainland, Immigration Services Department
			80% use of formal financial services attained by June, 2027	<p>(a) Create awareness among stakeholders;</p> <p>(b) provide incentives to financial service providers serving rural, peripheral areas, and disadvantaged and other vulnerable groups;</p>	



No.	Objective	Strategy	Targets	Activities	Responsible Institution
				<p>(c) MOFP and BOT to conduct a study on affordable formal financial services;</p> <p>(d) Promulgate regulation requiring all transaction to be conducted through financial institutions and limiting cash transaction to a specified threshold;</p> <p>(e) Promulgate regulations prohibiting informal unregistered money or value transfer services.</p>	

No.	Objective	Strategy	Targets	Activities	Responsible Institution
		Enforcement and follow up of cross border declarations of currency and bearer negotiable instruments	100% Cross border declarations of currency and bearer negotiable instruments attained by June, 2027	<p>(a) Conduct awareness programs to border posts that do not comply with the requirement on submission of periodic reports in accordance with the law;</p> <p>(b) post on all border points instructions in legible form in prominent public places that it is a legal requirement for all travelers to declare relevant threshold cash transported across border points;</p> <p>(c) capacitate customs and other officers at border points in terms of resources and training.</p>	
			Trail of cross border declarations of currency and bearer negotiable instruments regularly tracked by June, 2027	<p>(a) enhance detection mechanism for non-declarations;</p> <p>(b) Improve declaration forms to be more user friendly;</p> <p>(c) develop and deploy automated reporting system to FIU.</p>	MOFP Mainland, PO-FP Zanzibar, MoCLA (Tanzania Mainland and Zanzibar), Ministry responsible for Community Development (Tanzania Mainland and Zanzibar), MOHA, NAMDC, FIU, Regulators, Reporting Persons, eGA for both Tanzania Mainland,

No.	Objective	Strategy	Targets	Activities	Responsible Institution
					Immigration Services Department
11.	AML/CFT/CPF awareness to stakeholders and the public enhanced	Conduct AML/CTF/CPF awareness/public education programs and train AML/CTF/CPF trainers	Public understanding and compliance of AML/CTF/CPF requirements increased from 25% to 75% by June, 2027;	<p>Conduct at least 15 outreach programs to DNFBPs;</p> <p>Conduct at least 10 reporting persons workshops/seminars on AML/CFT/CPF issues on emerging issues;</p> <p>Participate in public pulling campaigns e.g Sabasaba and Civil Service fair to sensitization and education members of the public on AML/CFT/CPF issues.</p>	MOFP Mainland, POFP Zanzibar, MoCLA (Tanzania Mainland and Zanzibar), Ministry responsible for Community Development (Tanzania Mainland and Zanzibar), JoT, MOHA, NAMDC, FIU, Regulators, Reporting Persons, professional Institutions and bodies, accreditation bodies
			Seventy (70) AML/CTF/CPF trainers trained by June, 2025	<p>(a) Prepare a training need assessment;</p> <p>(b) Prepare an AML/CFT/CPF curriculum to be used in all training institutions;</p> <p>(c) operate AML/CFT/CPF courses in collaboration with various institutions.</p>	
		Designate AML/CTF/CPF training institutions and require reporting persons' personnel to obtain relevant	Short courses on AML/CTF/CPF rolled out and certificates issued by professional institutions by June, 2024	<p>(a) Develop an AML/CTF/CPF curriculum;</p> <p>(b) courses to be delivered by various institutions be accredited/approved by relevant body;</p>	

No.	Objective	Strategy	Targets	Activities	Responsible Institution
		AML/CTF/CPF certifications		(c) NAMDC enter into MOU with institutions to provide AML/CFT/CPF courses.	

### Appendix III: Performance Indicators Matrix

No	Objective	Strategy	Targets	Performance/ Output Indicators	Means of Verification /Outcome or Impact Indicators	Periods					Source
						Base year	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
1.	Risk based approach in combating ML/TF/PF improved	Continuous understanding of ML/TF/PF risks	AML/CTF/CPF awareness raising on risk-based approach conducted by 2025;	Number of awareness programs conducted Number of trained personnel	Quarterly, semi-annual, annual reports	50%	80%	100%			Competent Authorities, National Prosecutions Services and Director of Prosecutions Zanzibar, Reporting Persons
			ML/TF/PF risk assessment at the national, sectoral and institutional level are regularly reviewed and updated by AML/CTF/CPF stakeholders by June, 2025	Number and type risk assessments reviewed and updated.	Quarterly, semi-annual, annual reports	50%	80%	100%			Competent Authorities, National Prosecutions Services and Director of Prosecutions Zanzibar, Reporting Persons
		Effective mitigation of ML/TF/PF risks	Resources allocated annually according to identified ML/TF/PF risks by 2027.	Amount and type of resources allocated proportionally to identified risks	Quarterly, semi-annual, annual reports					100%	

No	Objective	Strategy	Targets	Performance/ Output Indicators	Means of Verification /Outcome or Impact Indicators	Periods					Source
						Base year	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
2.	Domestic and international AML/CFT/CPF stakeholders' cooperation improved	Appropriate mechanism for domestic coordination and international cooperation in place.	Domestic central coordination and cooperation mechanism among stakeholders formulated and implemented by June, 2023; by 2024;	NAMDC coordination mechanism and sub committees formed	Quarterly, semi-annual, annual reports					80%	Competent Authorities, National Prosecutions Services and Director of Prosecutions Zanzibar
			Agreements for cooperation among domestic and international stakeholders periodically entered by 2027	Number of domestic and international agreements entered to	Quarterly, semi-annual, annual reports					80%	MOHA, MoCLA (Tanzania Mainland and Zanzibar), Foreign Affairs and East African Co-operation, DPP Zanzibar, NPS, Competent Authorities, National Prosecutions Services and Director of Prosecutions Zanzibar
			Regional and International agreements implemented by 2027	Number of agreements implemented	Quarterly, semi-annual, annual reports					100%	MOHA, MoCLA (Tanzania Mainland and Zanzibar), Foreign Affairs and East African Co-operation, DPP Zanzibar, NPS, Competent Authorities, National Prosecutions Services and Director of Prosecutions Zanzibar

No	Objective	Strategy	Targets	Performance/ Output Indicators	Means of Verification /Outcome or Impact Indicators	Periods					Source
						Base year	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
3.	Reporting persons' AML/CFT/CPF preventive measures application enhanced	Awareness raising on relevant AML/CFT/CPF preventive measures;	Level of compliance with AML/CFT/CPF measures increased to at least 80% from the current 10% by 2027	Increase of compliance level by reporting persons	Quarterly, semi-annual, annual reports	10%	50%	60%	70%	80%	Regulators, FIU and Reporting persons
			Sanctioning for non-compliance applied effectively, proportionately and dissuasively by 2027	Number of appropriate sanctions for non-compliance applied	Quarterly, semi-annual, annual reports					100%	Regulators, FIU and Reporting persons
		Periodically review of legislation to enhance provisions on Customer Due Diligence (CDD), maintenance of customer records, internal controls and employees'	AML/CFT/CPF guidelines to reporting persons issued continuously by 2027	Number of guidelines issued to Reporting Persons	Quarterly, semi-annual, annual reports						100%

No	Objective	Strategy	Targets	Performance/ Output Indicators	Means of Verification /Outcome or Impact Indicators	Periods					Source
						Base year	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
		capacity building									
4.	Competent Authorities capacity on analysis, investigation, prosecution and adjudication of ML and the underlying predicate/specific offences, TF, PF. enhanced	Appropriate capacity building programs for competent authorities in terms of human, financial and technical resources in place.	Use financial intelligence, parallel financial investigations and prosecution of ML/TF/PF increased from 5% to 50% by 2027;	Number of cases investigated and prosecuted incorporating financial intelligence	Quarterly, semi-annual, annual reports	5%	20%	30%	40%	50%	Competent Authorities, NPS, DPP Zanzibar, and Judiciary
			Speed of adjudication of ML/TF/PF cases improved from 2-3 years to 1 year by 2027.	Number of adjudicated ML/TF/PF cases in a year	Quarterly, semi-annual, annual reports						Competent Authorities, NPS, DPP Zanzibar, and Judiciary
			Assets recovered increased by more than 50% of the asset involved currently by 2027	Number of assets recovered in relation to the number of assets involved	Quarterly, semi-annual, annual reports						



No	Objective	Strategy	Targets	Performance/ Output Indicators	Means of Verification /Outcome or Impact Indicators	Periods					Source
						Base year	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
		Mechanism for coordination and cooperation among competent authorities in place.	Task forces, committees, fora, and networks to foster domestic, cooperation established by 2024;	Number of task forces, committees, fora formed	Quarterly, semi-annual, annual reports						Competent Authorities, NPS, DPP Zanzibar, and Judiciary
			Feedback systems among AML/CFT/CPF stakeholders formulated and implemented by June, 2023	Feedback systems formed Number of feedbacks among AML/CFT/CPF stakeholders	Quarterly, semi-annual, annual reports						Competent Authorities, NPS, DPP Zanzibar, and Judiciary
			Harmonized assets forfeiture mechanism formulated by 2024.	Harmonised legislation and guidelines for asset recovery	Quarterly, semi-annual, annual reports						MoCLA (Tanzania Mainland and Zanzibar), NPS, DPP Zanzibar, and Judiciary

No	Objective	Strategy	Targets	Performance/ Output Indicators	Means of Verification /Outcome or Impact Indicators	Periods					Source
						Base year	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
5.	Legal and institutional framework improved to comply with best practices and international AML/CFT/CPF standards	Enact, review and amending AML/CTF/CPF legislation (including subsidiary legislation, principles, standards and guidelines)	Relevant AML/CTF/CPF legislation are regularly reviewed by June, 2027	Number of relevant AML/CTF/CPF legislation reviewed	Quarterly, semi-annual, annual reports						MOHA, MoCLA (Tanzania Mainland and Zanzibar), Foreign Affairs and East African Co-operation, DPP Zanzibar, NPS, Competent Authorities, National Prosecutions Services and Director of Prosecutions Zanzibar
		Strengthen and improve institutional framework	Institutional framework is streamlined by June 2027	Number of streamlined Institutions	Quarterly, semi-annual, annual reports						MOHA, MoCLA (Tanzania Mainland and Zanzibar), Foreign Affairs and East African Co-operation, DPP Zanzibar, NPS, Competent Authorities, National Prosecutions Services and Director of Prosecutions Zanzibar
6.	Transparency on the information on beneficial ownership and control of legal persons and legal arrangements for AML/CTF/CPF purposes enhanced	Registries continuously obtain, verify and update identity information on beneficial owners and control of legal persons and	Information on beneficial ownership and control of legal persons and legal arrangements in all registries updated by June, 2024;	Number of updated and accurate information in registries	Quarterly, semi-annual, annual reports						Registries, FIU, Regulators and Reporting Persons

No	Objective	Strategy	Targets	Performance/ Output Indicators	Means of Verification /Outcome or Impact Indicators	Periods					Source
						Base year	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
		legal arrangements									
		Registries to avail beneficial ownership and control information of legal persons and legal arrangements to qualifying AML/CTF/CPF stakeholders	Information on beneficial ownership and control of legal persons and legal arrangements in registries accessed by qualifying AML/CTF/CPF stakeholders by June, 2024	Number of qualifying AML/CTF/CPF stakeholders access registries' information on beneficial ownership and control of legal persons and legal arrangements	Quarterly, semi-annual, annual reports						Registries, FIU, Regulators and Reporting Persons
		Fast-track the issuance of identity cards to all eligible persons in URT (national identity cards for Tanzania mainland and resident identity cards for Zanzibar)	100% of eligible URT applications for identity cards issued with relevant smart IDs by June 2024	Number of eligible URT applicants issued with relevant smart IDs by	Quarterly, semi-annual, annual reports		100%				Registries, FIU, Regulators and Reporting Persons

No	Objective	Strategy	Targets	Performance/ Output Indicators	Means of Verification /Outcome or Impact Indicators	Periods					Source
						Base year	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
		Improve the quality of registration of mobile phone sim cards	Genuine and accurate CDD information provided by mobile network operators by June 2024	Number of mobile phone sim cards with genuine and accurate CDD information provided by mobile network operators	Quarterly, semi-annual, annual reports		100%				Registries, FIU, Regulators and Reporting Persons
7.	United Nation resolutions and conventions and other international and regional agreements relating to AML/CFT/CPF effectively executed	Establish mechanism for domestic or international designation of targeted financial sanctions	Domestic or international designation of targeted financial sanctions regularly implemented by June, 2027	Number of domestic or international designation of targeted financial sanctions	Quarterly, semi-annual, annual reports						MOHA, MoCLA (Tanzania Mainland and Zanzibar), Foreign Affairs and East African Co-operation, DPP Zanzibar, NPS, Competent Authorities, National Prosecutions Services and Director of Prosecutions Zanzibar, Reporting Persons.
		Transposition/Domestication of AML/CTF/CPF related UNSCRs, regional and international agreements	AML/CFT/CPF legal and institutional framework streamlined with appropriate international and regional agreements by June, 2027	Number of legislation and institutions streamlined in line with international and regional agreements	Quarterly, semi-annual, annual reports						MOHA, MoCLA (Tanzania Mainland and Zanzibar), Foreign Affairs and East African Co-operation, DPP Zanzibar, NPS, Competent Authorities, National Prosecutions Services and Director of Prosecutions Zanzibar

No	Objective	Strategy	Targets	Performance/ Output Indicators	Means of Verification /Outcome or Impact Indicators	Periods					Source
						Base year	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
8.	Availability and sharing of AML/CTF/CPF and predicate/specified offences information among stakeholders improved	Establish mechanism for collecting, storing, updating and sharing of AML/CTF/CPF and predicate/specified offences information among stakeholders	AML/CTF/CPF database created by December, 2022	AML/CTF/CPF database created	Quarterly, semi-annual, annual reports	100 %					MOFP Mainland, PO-FP Zanzibar, MOHA, DPP Zanzibar, PS, Competent Authorities, National Prosecutions Services and Director of Prosecutions Zanzibar
			Appropriate AML/CTF/CPF information regularly maintained and exchanged among stakeholders by June 2027	Number of reports exchanged among stakeholders	Quarterly, semi-annual, annual reports						DPP Zanzibar, NPS, Competent Authorities, National Prosecutions Services and Director of Prosecutions Zanzibar

No	Objective	Strategy	Targets	Performance/ Output Indicators	Means of Verification /Outcome or Impact Indicators	Periods					Source
						Base year	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
9.	New products, technologies, services, delivery channels and other business practices with ML/TF/PF risks mitigated launched	Establish mechanism to enable reporting persons to launch ML/TF/PF risks mitigated new products, technologies, services, delivery channels and other business practices	New products, services, delivery channels and practices and technologies with ML/TF/PF risks understood and mitigated, launched regularly by June 2027	Number of new products, services, delivery channels and practices and technologies with ML/TF/PF risks mitigated launched	Quarterly, semi-annual, annual reports						Regulators, Reporting Persons and FIU
10.	Availability of Financial services that leave audit trail improved	Encourage the use of formal financial services and financial inclusion products	100% use of financial inclusion products with low ML/TF/PF risks attained by June, 2027	Number of financial inclusion products introduced and used	Quarterly, semi-annual, annual reports					100%	MOFP Mainland, PO-FP Zanzibar, Regulators, Reporting Persons and FIU
			80% use of formal financial services attained by June, 2027	Level of use of formal financial services	Quarterly, semi-annual, annual reports					80%	MOFP Mainland, PO-FP Zanzibar, Regulators, Reporting Persons and FIU

No	Objective	Strategy	Targets	Performance/ Output Indicators	Means of Verification /Outcome or Impact Indicators	Periods					Source
						Base year	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
		Enforcement and follow up of cross border declarations of currency and bearer negotiable instruments	100% Cross border declarations of currency and bearer negotiable instruments attained by June, 2027	Number of Cross border declarations of currency and bearer negotiable instruments	Quarterly, semi-annual, annual reports					100%	MOFP Mainland, PO-FP Zanzibar, competent authorities, NPS and DPP Zanzibar
			Trail of cross border declarations of currency and bearer negotiable instruments regularly tracked by June, 2027	Number of traced cross border declarations of currency and bearer negotiable instruments	Quarterly, semi-annual, annual reports						Competent authorities, NPS and DPP Zanzibar
11.	AML/CFT/CPF awareness to stakeholders and the public enhanced	Conduct AML/CTF/CPF awareness/public education programs and train AML/CTF/CPF trainers	Public understanding and compliance of AML/CTF/CPF requirements increased from 25% to 75% by June, 2027;	Level of public understanding and compliance to AML/CTF/CPF requirements	Quarterly, semi-annual, annual reports	25%	30%	50%	60%	75%	MOHA, MOFP Mainland, PO-FP Zanzibar, Ministry responsible for Community Development Tanzania Mainland and Zanzibar, DPP Zanzibar, Competent Authorities, National Prosecutions Services and Director of Prosecutions Zanzibar, Reporting Persons,

No	Objective	Strategy	Targets	Performance/ Output Indicators	Means of Verification /Outcome or Impact Indicators	Periods					Source
						Base year	2023/ 24	2024/ 25	2025/ 26	2026/ 27	
			Seventy (70) AML/CTF/CPF trainers trained by June, 2025	Number of trainers trained	Quarterly, semi-annual, annual reports			70			FIU, Regulators, NAMDC, Professional bodies and training Institutions
		Designate AML/CTF/CPF training institutions and require reporting persons' personnel to obtain relevant AML/CTF/CPF certifications	Short courses on AML/CTF/CPF rolled out and certificates issued by professional institutions by June, 2024	Number of short courses rolled out by professional institutions and participants issued with certifications	Quarterly, semi-annual, annual reports						FIU, Regulators, NAMDC, Professional bodies and training Institutions