



CENTRAL BANK OF NIGERIA

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LETTER TO BANKS AND OTHER FINANCIAL INSTITUTIONS

PROPOSED VISIT OF THE INTERNATIONAL COOPERATION REVIEW GROUP (ICRG) OF THE FINANCIAL ACTION TASK FORCE (FATF) TO NIGERIA IN SEPTEMBER, 2013

You will recall that in 2009, the **Financial Action Task Force (FATF)** placed Nigeria among the grey list countries that had not made significant progress in their AML/CFT regime and the country has been working assiduously to exit from this unenviable group. It was, however, acknowledged at the Inter-Governmental Action Group against Money Laundry in West Africa (GIABA) Plenary meetings held in Ghana in May, 2013 and FATF Public Statement in June, 2013 that Nigeria had largely addressed its action plan and improved its overall supervisory AML/CFT framework. The International Cooperation Review Group (ICRG) of FATF has, however, scheduled to conduct an on-site visit to Nigeria early September, 2013 to confirm that the processes of implementing the required reforms and actions are underway to address previously identified deficiencies.

The proposed visit by ICRG is to afford the Group the opportunity to determine the effectiveness of the country's implementation of its laws and regulations as well as compliance with international best practice. The ICRG will also evaluate both the public and private sector institutions' implementation frameworks. A favourable report on the country's AML/CFT regime will enhance its chances of

exiting the FATF grey list. To this end, the CBN implores all relevant stake-holders to adequately prepare for the exercise. The following areas (as relevant to your institution) **among others**, should therefore be noted:

- a. Display of AML/CFT Notice in banking halls.
- b. Actual implementation and documentation of customer identification, verification requirements, customer due diligence (CDD), etc.
- c. Evidence of various trainings conducted for staff on AML/CFT issues.
- d. Evidence of rendering relevant returns to CBN and NFIU (e.g. CTR, STR, PEPs).
- e. Evidence of record-keeping for a minimum of five years after severance of relationship with customers.
- f. Evidence of appointment of Chief Compliance Officer, stating clearly his level, functions and support staff.
- g. Evidence of having AML/CFT Manual.

In furtherance of the above, all relevant stake-holders should please note that the ICRG has the discretion to select the institutions and branches it will visit.



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