



CE-FATF-ENG NEWSLETTER

OUTCOME OF NFIU WORKSHOP: The Importance of Private Sector Involvement in the 2nd Round of the Mutual Evaluation Exercise

The private sector is the part of the national economy that is not under direct state control and it comprises organizations whose primary aim is profit-making and income generation. These organizations which carry out legal monetary transactions are also vulnerable to risks of money laundering.

At the workshop, speakers noted that private sector organizations need to begin to carry out their functions in line with the law as well as assist the authorities to sanitize the sector of unscrupulous individuals who violate the rules. This can be achieved by enhancing the process of transparency in what we are doing and also ensure we help in the fight against money laundering and terrorism financing.

The private sector is the nucleus of every system; their involvement in the mutual evaluation process is important as most of the information required and provided is necessary to ensure technical as well as full compliance of all stakeholders.

Appendix 2 of the procedures listed by

FATF on the 4th mutual evaluation specifically mentioned that the financial sector which is the private sector, alongside the Designated Non Financial Institution form an integral part of the entire mutual evaluation process. Hence, the private sector and other non-government regulatory agencies are required to be a part of every mutual evaluation exercise; they must always be contacted and consulted in everything that is done during the evaluation period. In fact, effectiveness of the systems is tested more particularly from that area. This enables the achievement of defined results.

In further integrating the private sector in the process of mutual evaluation, adequate knowledge of all the procedures including what is expected must be provided to these organizations and how they need to comply with regulations because, ignorance of the law is not an excuse.

Hence, it is important that the Nigerian

Financial Intelligence Unit ensures that all systems are firmly controlled and in perfect conditions in order to forestall the occurrence of system breach.

Here, co-operation connotes the ability of each sector to organize itself properly in line with set rules and regulations in order to achieve the ultimate goal set out by FATF against ML/CFT. It enables agencies connect the dots as it is impossible for compliance to compete, it is therefore imperative that all concerned should individually and collectively ensure compliance is achieved.

To completely eradicate criminality in the country, therefore, the collaboration and cooperation of stakeholders within and across different sectors are paramount. At the workshop, speakers noted the need for all sectors; public, private and non-profit, to join the fight against money laundering and terrorism financing.



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