

# Anti-money laundering and Counter-terrorist financing measures

## Zimbabwe

### Technical Compliance Re-Rating

April 2019

Follow-Up Report





The Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) was officially established in 1999 in Arusha, Tanzania through a Memorandum of Understanding (MOU). As at the date of this Report, ESAAMLG membership comprises of 18 countries and also includes a number of regional and international observers such as AUSTRAC, COMESA, Commonwealth Secretariat, East African Community, Egmont Group of Financial Intelligence Units, FATF, GIZ, IMF, SADC, United Kingdom, United Nations, UNODC, United States of America, World Bank and World Customs Organization.

ESAAMLG's members and observers are committed to the effective implementation and enforcement of internationally accepted standards against money laundering and the financing of terrorism and proliferation, in particular the FATF Recommendations.

For more information about the ESAAMLG, please visit the website: [www.esaamlg.org](http://www.esaamlg.org)

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## ZIMBABWE: 5<sup>th</sup> ENHANCED FOLLOW-UP AND RE-RATING REPORT

### I. BRIEF BACKGROUND INFORMATION

1. The ESAAMLG evaluated the anti-money laundering and combating the financing of terrorism and proliferation financing (AML/CFT) regime of the Republic of Zimbabwe under its Second Round of Mutual Evaluations from 13-25 July 2015. The Mutual Evaluation Report (MER) was adopted by the ESAAMLG Council of Ministers in September 2016.
2. According to the MER, Zimbabwe was Compliant (C) with 11 Recommendations, Largely Compliant (LC) with 9 Recommendations, Partially Compliant (PC) with 14 Recommendations and Non-Compliant (NC) with 6 Recommendations. Out of the 11 Immediate Outcomes (IOs), Zimbabwe was rated Moderate Level of Effectiveness on 2 I.Os and Low Level of Effectiveness on 9 I.Os. Details of the MER ratings are provided in the Tables below:

**TABLE 1: Technical Compliance Ratings**

<i>R.1</i>	<i>R.2</i>	<i>R.3</i>	<i>R.4</i>	<i>R.5</i>	<i>R.6</i>	<i>R.7</i>	<i>R.8</i>	<i>R.9</i>	<i>R.10</i>
<i>PC</i>	<i>LC</i>	<i>C</i>	<i>PC</i>	<i>C</i>	<i>C</i>	<i>NC</i>	<i>NC</i>	<i>C</i>	<i>PC</i>
<i>R.11</i>	<i>R.12</i>	<i>R.13</i>	<i>R.14</i>	<i>R.15</i>	<i>R.16</i>	<i>R.17</i>	<i>R.18</i>	<i>R.19</i>	<i>R.20</i>
<i>C</i>	<i>PC</i>	<i>LC</i>	<i>PC</i>	<i>NC</i>	<i>PC</i>	<i>LC</i>	<i>PC</i>	<i>NC</i>	<i>C</i>
<i>R.21</i>	<i>R.22</i>	<i>R.23</i>	<i>R.24</i>	<i>R.25</i>	<i>R.26</i>	<i>R.27</i>	<i>R.28</i>	<i>R.29</i>	<i>R.30</i>
<i>C</i>	<i>PC</i>	<i>PC</i>	<i>NC</i>	<i>NC</i>	<i>PC</i>	<i>LC</i>	<i>PC</i>	<i>PC</i>	<i>C</i>
<i>R.31</i>	<i>R.32</i>	<i>R.33</i>	<i>R.34</i>	<i>R.35</i>	<i>R.36</i>	<i>R.37</i>	<i>R.38</i>	<i>R.39</i>	<i>R.40</i>
<i>LC</i>	<i>LC</i>	<i>PC</i>	<i>PC</i>	<i>LC</i>	<i>C</i>	<i>C</i>	<i>LC</i>	<i>C</i>	<i>LC</i>

**TABLE 2: Immediate Outcome Ratings**

Rated Moderate	9	10							
Rated Low	1	2	3	4	5	6	7	8	11

3. In view of the above ratings, Zimbabwe was placed under enhanced follow up.

4. In accordance with ESAAMLG's Second Round Mutual Evaluation Procedures and the Terms of Reference (as approved by the Council of Ministers in September 2014), Expert Reviewers have analyzed the progress made by Zimbabwe for Recommendations which the country has requested technical compliance re-ratings (Recommendations 4, 10, 12, 14, 15, 16, 18, 19, 22, 23 and 33.) using the information provided by Zimbabwe.
5. The assessment of Zimbabwe's request for technical compliance re-ratings and the preparation of this report were undertaken by the following experts:
  - Bheki Khumalo (eSwatini)
  - Mofokeng Ramakhala (Lesotho)
  - Nokwazi Mtshali (South Africa)
  - Masautso Ebere (Malawi)
  - Kidanemariam Hadera (Ethiopia)
  - Christopher Likomwa (Malawi)
  - M. Roopchand (Mauritius)
6. The following is the brief analysis made on the report:

## II. DETAILED ANALYSIS OF PROGRESS

### 2.1 Recommendation 4 – Confiscation and Provisional Measures (*Originally rated PC – re-rated C*)

7. Under its Second Round MER, Zimbabwe was rated Partially Compliant with the requirements of this Recommendation. The major deficiency was that all designated crimes under the FATF Standards were not serious offences in Zimbabwe for the purposes of confiscation. The definition of "serious offence" sets the penalty threshold too high (4 years), thus excluding all designated crimes under the FATF recommended predicate offences that fall below the 4-year threshold. The law was not providing for steps to prevent or void actions and confiscation of property held by a third party, and property of corresponding value. Zimbabwe had also not issued prescriptions that enable management of Recovered Assets Funds.
8. In order to address the deficiency, in July 2018, Zimbabwe enacted the Money Laundering and Proceeds of Crime (MLPC) (Amendment) Act, 2018 which

seeks to address the deficiencies identified in the ME. Clause 2 of the MLPC (Amendment) Act, re-defines “serious offence” to include offences for which the penalty is imprisonment for any period of less than four years but not less than one year, any portion of which equal to or exceeding one year is not suspended by the convicting court, without the option of a fine. This adequately addresses the deficiency in relation to the penalty threshold.

9. The Amendment Act further introduces a new subsection (4) under section 39 of the principal Act which provides for confiscation of property of corresponding value. Powers to void actions designed to defeat country’s ability to seize or recover property that is subject to confiscation are covered under the country’s common law, whereby transactions deemed to be contrary to public policy or designed to defeat the requirements of law (contract in fraudem legis) are deemed illegal and therefore void as demonstrated in the case of *Chiodza v Siziba* (Civil Appeal No. SC 16/11) (SC) which the reviewers deem adequate.
10. With respect to the management of recovered assets, Clause 17 of the MLPC (Amendment) Act amends the National Prosecuting Authority Act by inserting a new section 27A which formally establishes the Asset Forfeiture Unit (AFU) as a statutory organ of the National Prosecuting Authority with a mandate to manage the storage and maintenance of assets seized and forfeited pursuant to the MLPC Act.

#### *Weighting and Conclusion*

11. Based on the highlighted provisions of the MLPC (Amendment) Act, Zimbabwe has sufficiently addressed outstanding deficiencies identified in the MER under this Recommendation. **Zimbabwe is therefore re-rated Compliant with R. 4.**

#### **2.2 Recommendation 10 – Customer Due Diligence (Originally rated PC – re-rated LC)**

12. Under its Second Round MER, Zimbabwe was rated Partially Compliant with the requirements of this Recommendation. The major deficiency was that there was no direct obligation for FIs in Zimbabwe to verify the identity of a customer who is a beneficial owner. S.15(3) of the MLPC Act only placed an obligation on FIs to identify a beneficial owner but not to verify his identity. In addition, the

obligation to identify a beneficial owner was only placed on prescribed transactions, which severely limits the application of this requirement. The legal provisions had no specific requirement for FIs to verify by name, the beneficiary of a life insurance policy that has been specifically identified as a natural person, legal person or legal arrangement. There is also no requirement for FIs to consider risk of a beneficiary of a life insurance to determine if enhanced CDD should be applied. Further, the country has no specific requirement for FIs to adopt risk management procedures for conditions under which a customer may utilise the business relationship prior to verification, neither was there a requirement to apply simplified CDD where there is proven lower risk.

13. The MLPC (Amendment) Act, under its clause 8, amended section 15(3) of the principal law by removing the existing limitation relating to identification for only prescribed transactions. This amendment sufficiently widens the obligation by FIs to identify beneficial owners beyond prescribed transactions. However, the Amendment Act has not gone further to place an obligation for FIs to verify the identity of the beneficial owner. This deficiency therefore remains outstanding.
14. With regards to CDD for beneficiaries of life insurance policies, Clause 9 of the MLPC (Amendment) Act sufficiently addresses the deficiency identified in the MER by introducing subsection (2) to section 20 of the principal Act which requires FIs to take into consideration the level of risk of a beneficiary of a life insurance policy and where higher risks are identified, to apply enhanced due diligence measures. The new law, however, still lacks a provision that requires FIs to verify by name, the beneficiary of a life insurance policy that has been specifically identified as a natural person, legal person or legal arrangement.
15. Clause 6 of the new MLPC (Amendment) Act introduces section 12B which requires FIs and DNFBPs to assess risks and to implement a risk-based approach and based on the risks identified, to apply simplified or reduced measures for lower risk customers, products, services or situations, as appropriate. The expert reviewers have further noted that in Zimbabwe, it is not permissible to establish a business relationship before identification and verification of a customer is completed, although the law empowers the Director General of the FIU to issue a directive where this can happen. As of the time of

the assessment or review the Director General had not issued such a directive and this implies that it remains impermissible to conduct CDD after establishing a business relationship. In such cases, it is the view of the experts that the requirements of c.10.15 are therefore not currently applicable.

#### *Weighting and Conclusion*

16. Zimbabwe, through the MLPC (Amendment) Act, has made notable progress in addressing most of the outstanding deficiencies under R.10. However there are minor deficiencies that still require attention from the Zimbabwe authorities and these include the need to require FIs to verify the identity of beneficial owners and to verify by name, the beneficiary of a life insurance policy that has been specifically identified as a natural person, legal person or legal arrangement.

**Zimbabwe is re-rated Largely Compliant with R. 10.**

#### **2.3 Recommendation 12 – Politically Exposed Persons (*Originally rated PC – re-rated C*)**

17. The assessors found that the scope of a foreign PEP was restricted only to a senior office-bearer of a political party in a foreign country. In addition, Zimbabwe had no specific requirement for FIs to take reasonable measures to determine whether the beneficiaries and/or, where required, the beneficial owner of the beneficiary of a life insurance policy, are PEPs.
18. Clause 7(d) of the MLPC (Amendment) Act has sufficiently addressed the deficiency relating to foreign PEPs by replacing the definition of “PEP” in the principal Act with a new definition which widens the scope of foreign PEP and aligns it with the FATF definition. Under 7(d)(b) a foreign PEP is defined as “any person who is or has been entrusted with prominent public functions by a foreign country; including but not limited to; a Head of State or of government, a senior government, judicial or military official, a senior executive of a state owned corporation or a senior official of a political party.” The full definition of PEPs provided in the MLPC (Amendment) Act adequately covers both domestic and international organization PEPs in addition to foreign PEPs and is now in line with FATF Requirements.
19. Clause 9 further amends section 20 of the principal Act by requiring FIs, in respect of life insurance policies, before a pay out of the proceeds of a policy, to

take reasonable measures to determine whether the beneficiary or, where applicable, the beneficial owner of the beneficiary, is a PEP. This sufficiently addresses the deficiency identified under this criterion.

*Weighting and Conclusion*

20. Zimbabwe has addressed all the deficiencies identified under R.12. **Zimbabwe is re-rated Compliant with R. 12.**

**2.4 Recommendation 14 – Money or Value Transfer Services (Originally rated PC – re-rated C)**

21. Under its Second Round MER, Zimbabwe was rated Partially Compliant with the requirements of this Recommendation. The major deficiency was that Zimbabwe was not taking action against unlicensed or unregistered MVTs despite having the legal means in place to punish by a fine or imprisonment.

22. The Zimbabwean authorities have provided sufficient evidence to the expert reviewers showing that the country has been taking some action against illegal or unregistered MVTs since the approval of its MER. According to the evidence given by the authorities, the Criminal Investigation Department Commercial Crimes Unit have undertaken an operation code named “Operation Dzosai Mari Phases 1 and 2” from 2017 where over 50 unlicensed and/ unregistered money changers were netted, arrested, prosecuted and penalised, and some amounts in excess of USD70,000 recovered.

*Weighting and Conclusion*

23. Zimbabwe has addressed the outstanding deficiency identified in the MER. **Zimbabwe is re-rated Compliant with R. 14.**

**2.5 Recommendation 15 – New Technologies (Originally rated NC –re-rated C)**

24. Under its Second Round MER, Zimbabwe was rated Non-Compliant with the requirements of this Recommendation. The major deficiency was that Zimbabwe had no specific requirements for competent authorities and FIs to identify and assess the ML/TF risks that may arise in relation to the development of new products or new business practices, and the use of new or developing technologies for both new and existing products.

25. At country level, in 2015, Zimbabwe conducted and completed a NRA whose main objective was to identify, assess, quantify and understand, the ML/TF risks facing the country. The NRA assessed, among others, the level of risk posed by new technologies, products and delivery mechanisms such as mobile financial services products (electronic wallets, debit/credit cards etc.). The AML/CFT risks for mobile financial services products were overall rated medium.
26. At institutional level, FIs are required, in terms of section 12 of the MLPC (Amendment) Act, 2018, to conduct ML/TF risk assessments for the use of new technologies, products or services. For example, before launching new products and services, Zimbabwe has a system in place to ensure that such new products, delivery mechanisms, business practices and new and developing technologies are assessed for risk before an approval is granted by the National Payments Systems Division of the Central Bank. In this regard, the FIs, in terms of new product approval procedure, are required to provide, together with their application, a detailed ML/TF risk assessment of the product addressing both lower and higher ML/TF risk areas and the mitigation strategies. The authorities demonstrated this by providing to the expert reviewers some samples of applications and risk assessment documents from some FIs in the country who have launched new products (e.g., MyCash and Mobile POS products). The risk assessments by the FIs are scrutinized by the National Payments Systems Division, Bank Supervision Division and the FIU in order to determine whether the key risk areas identified in the NRA and through other assessments e.g. thematic assessments, are addressed. In most instances, the applicant is invited to the Central Bank to make a presentation of the intended product clarifying some of the concerns and queries that the Regulators may be having. In some cases, the applicant may be required to enhance the risk assessment before re-submitting for further scrutiny.
27. In relation to the legal provisions, Zimbabwe now has a requirement in terms of the MLPC (Amendment) Act, section 12B for FIs and DNFBPs to assess and document ML/TF risk prior to the launch of new product, service or business practice and before the use of new technological innovation for both new and pre-existing products, practices and technologies and to put in place appropriate measures to mitigate the risks. In addition, Section 12A (3) of the MLPC (Amendment) Act also requires the FIU to ensure that measures are undertaken by FIs to identify and assess the ML/TF risks that may arise in

relation to new products and new business practices, including new delivery mechanisms, and the use of new or developing technologies for both new and pre-existing products.

### *Weighting and Conclusion*

28. Zimbabwe has adequately addressed deficiencies relating to R.15. **Zimbabwe is re-rated Compliant with R. 15.**

### **2.6 Recommendation 16 – Wire Transfers (Originally rated PC – re-rated LC)**

29. Under its Second Round MER, Zimbabwe was rated Partially Compliant with the requirements of this Recommendation. The major deficiencies were that Zimbabwe had no legal provision which requires; FIs to include originator and full beneficiary information in cross-border wire transfer batch files from a single originator; ordering FIs to ensure that all cross-border wire transfers below USD 1000 are always accompanied by originator and beneficiary information; intermediary FIs to retain all originator and beneficiary information that accompanies a wire transfer and to take action when technical limitations prevent originator or beneficiary information from accompanying or being part of any wire transfer, in addition to applying a risk-based approach to wire transfer transactions under any circumstances; beneficiary FIs to verify the identity of the beneficiary in cases of cross-border wire transfers of US \$ 1,000, or more and also to apply a risk-based approach to wire transfers under any circumstances and; MVTs to comply with all of the relevant requirements of R.16 including in cases where the MVTs controls both the ordering and the beneficiary side of a wire transfer, to take into account all information from both the ordering and the beneficiary side of a wire transfer in order to determine whether to file an STR and to file an STR in any country affected by the suspicious wire transfer.

30. The deficiencies identified by the assessors under this recommendation have been addressed to a larger extent by the new MLPC (Amendment) Act, whose clause 13 repealed and replaced the whole section 27 of the principal Act dealing with “Obligations regarding wire transfers”. Section 27(3) of the MLPC (Amendment) Act now requires that where several individual cross border wire transfers from a single originator are bundled in a batch file for transmission to

beneficiaries, the batch file shall contain accurate originator information, and full beneficiary information including the originator's account number or unique transaction reference number. Section 27(2) of the Amendment Act further requires FIs to ensure that all cross border wire transfers of any amount below USD1,000.00 are accompanied by originator information, namely; name of originator and originator's account number or unique transaction reference number, and similar information for the beneficiary.

31. Regarding intermediary FIs, the new law requires FIs to transmit all originator and beneficiary information received to the beneficiary FI and also to retain such information. In cases of technical limitations that prevent the required originator or beneficiary information accompanying a cross-border wire transfer from remaining with a related domestic wire transfer, intermediary FIs are now required to keep a record for at least ten years, of all the information received from the ordering FI or another intermediary FI. In addition, Section 27(9) of the Amendment Act now requires intermediary FIs to have in place risk-based policies and procedures for determining when to execute, reject or suspend a wire transfer lacking required originator and beneficiary information; and including appropriate follow-up action. The requirements of both Section 27(8) and (9) adequately address the deficiencies highlighted by the assessors with regards to intermediary FIs.
32. With regards to beneficiary FIs, the new MLPC (Amendment) Act adequately addresses one of the two deficiencies identified in the MER. The amended legal provisions under Section 27(10) require beneficiary FIs, for cross-border wire transfers of \$1000 or more, to verify the identity of the beneficiary (where such information has not been previously verified), and to maintain the information in accordance with record keeping requirements set out in Section 24 of the principal Act. The expert reviewers, however, noted that the legal provisions do not require beneficiary FIs to have in place risk-based policies and procedures for determining when to execute, reject or suspend a wire transfer lacking required originator and beneficiary information; and including appropriate follow-up action.
33. Obligations of MVTS are provided for under Sections 27(12) and (13) of the Amendment Act. MVTS are now required to comply with all the relevant requirements of Section 27 (Wire transfers) in every country where they operate,

whether directly or through agents. However, the deficiency highlighted in the MER under criterion 16(16) remains outstanding pending addressing of the deficiency identified under c.16.15 above. Section 27(13) requires MVTs who controls both the ordering and the beneficiary side of a wire transfer to take into account all the information from both the ordering and beneficiary sides in order to determine whether an STR has to be filed and, to file an STR in any country affected by the suspicious wire transfer including making available all relevant transaction information to the FIU.

#### *Weighting and Conclusion*

34. Zimbabwe has addressed most of the deficiencies identified in the MER. The only remaining deficiency under this Recommendation is for Zimbabwe to come up with legal provisions requiring beneficiary FIs to have in place risk-based policies and procedures for determining when to execute, reject or suspend a wire transfer lacking required originator and beneficiary information; and including appropriate follow-up action. **Zimbabwe is re-rated Largely Compliant with R. 16.**

#### **2.7 Recommendation 18 – Internal Controls and Foreign Branches and Subsidiaries (Originally rated PC – re-rated C)**

35. Under its Second Round MER, Zimbabwe was rated Partially Compliant with the requirements of this Recommendation. The major deficiency was the absence of legal obligations for FIs to implement AML/CFT programmes that take into account the ML/TF risks and the size of the institution. There are no requirements for financial groups to implement group-wide AML/CFT programmes and to ensure that AML/CFT measures in foreign branches or majority owned subsidiaries are implemented.

36. Amendments to S. 25(1) in the MLPC (Amendment) Act require FIs and DNFBPs to develop and implement programmes for the prevention of ML/TF taking into account the ML/TF risks and size of the business. Further, Section 25(4) of the principal Act was amended to require FIs which are part of a financial group, in respect of majority owned subsidiaries and branches, whether local or foreign, to implement group-wide programmes for combating ML and TF including having in place internal policies, procedures and controls

for sharing information for purposes of CDD and ML/TF risk management and adequate safeguards on the confidentiality and use of information exchanged.

*Weighting and Conclusion*

37. Zimbabwe has adequately addressed the deficiencies that were outstanding in its MER under this Recommendation. **Zimbabwe is re-rated Compliant with R. 18.**

**2.8 Recommendation 19 – Higher Risk Countries (Originally rated NC – rerated C)**

38. Under its Second Round MER, Zimbabwe was rated Non-Compliant with the requirements of this Recommendation. The major deficiency was that the Zimbabwean legal framework does not provide the requirement for FIs to apply enhanced due diligence, proportionate to the risks, to business relationships and transactions with natural and legal persons from countries when called to do so by the FATF. There is no application of countermeasures under any circumstances in respect of countries identified by the country, neither are there measures in place to ensure FIs are advised of concerns about weaknesses in the AML/CFT systems of other countries.
39. Clause 12 of the MLPC (Amendment) Act introduces a new section 26A of the MLPC Act on Higher Risk Countries. S. 26A(1)–(3) adequately addresses the deficiencies highlighted in the MER. There are now legal provisions requiring FIs and DNFBPs to exercise enhanced due diligence, proportionate to the risk, to business relationships and transactions with natural and legal persons, including FIs from countries for which this is called for by the FATF; FIs and DNFBPs to apply countermeasures proportionate to the risk, to business relationships and transactions with natural and legal persons, including financial institutions, from such countries as shall be communicated from time to time through a circular or directive issued by the FIU, on its initiative or pursuant to a call to do so by the FATF, and; through regular circulars issued and updated by the FIU shall be issued advising FIs and DNFBPs of countries that do not adequately implement measures to combat ML/TF and for FIs and DNFBPs to exercise enhanced due diligence commensurate with the risks to business relationships with legal and natural persons from such jurisdictions.

*Weighting and Conclusion*

40. Zimbabwe has sufficiently addressed all the deficiencies identified under this recommendation. **Zimbabwe is re-rated Compliant with R. 19.**

**2.9 Recommendation 22 – DNFBPs – Customer Due Diligence (Originally rated PC – rerated LC)**

41. Under its Second Round MER, Zimbabwe was rated Partially Compliant with the requirements of this Recommendation. The major deficiencies were those identified in respect of CDD (R.10), PEPs (R.12) and New Technologies (R.15) as they relate to DNFBPs.

42. The deficiencies under R. 12 and R.15 have been adequately addressed (*see analyses of R.12 and R.15 above*). Based on the analyses of R.10, R.12 and R.15, deficiencies identified under R.22 have been largely addressed. The deficiencies identified under R.10 equally apply to DNFBPs under c.22.1.

*Weighting and Conclusion*

43. Zimbabwe has addressed most of the deficiencies identified in the MER. **Zimbabwe is re-rated Largely Compliant with R. 22.**

**2.9 Recommendation 23 – DNFBPs – Other Measures (Originally rated PC – rerated C)**

44. Under its Second Round MER, Zimbabwe was rated Partially Compliant with the requirements of this Recommendation. The major deficiencies were those identified under R.18 (Internal Controls and Foreign Branches and Subsidiaries) and R.19 (Higher Risk Countries) as they relate to DNFBPs.

45. The deficiencies highlighted under R.18 and R.19 have been adequately addressed (*see analyses on R.18 and R.19 above*).

*Weighting and Conclusion*

46. Zimbabwe has addressed all the deficiencies identified in the MER. **Zimbabwe is re-rated Compliant with R. 23.**

## 2.10 Recommendation 33 – Statistics (Originally rated PC – no re-rating)

47. Under its Second Round MER, Zimbabwe was rated Partially Compliant with the requirements of this Recommendation. The major deficiency was that Zimbabwe had no comprehensive statistics to determine AML/CFT effectiveness including on confiscation of property, investigations and prosecution.

Statistics on matters relevant to the effectiveness and efficiency of the AML/CFT system in Zimbabwe are maintained by the FIU, which is the central point where all the statistics are kept. Since June 2017, Zimbabwe has been maintaining some statistics relating to ML/TF predicate offences, freezing, seizing and confiscation of criminal property. In order to ensure adequate coordination of all relevant agents in the provision of statistics, Zimbabwe has established a subcommittee comprising mainly of LEAs (Police, ZIMRA, NPA, ZACC and FIU) and have developed templates for collecting statistics bi-annually from all LEAs. The statistics provided to the expert reviewers, however, show disparities (e.g., statistics on number of ML prosecutions and convictions provided by ZACC and CID are not consistent with the NPA figures). In addition, the statistics provided from different agencies were not consistent for different periods making it difficult for expert reviewers to make useful conclusions out of them. Based on the information provided, Zimbabwe has not made sufficient progress to demonstrate that it collects and maintains comprehensive statistics and this represents a significant deficiency in the availability of data or information to assess effectiveness of the AML/CFT system in Zimbabwe.

### *Weighting and Conclusion*

48. Given the deficiencies highlighted above, **there is no re-rating for this Recommendation.**

## **III. CONCLUSION**

49. Zimbabwe has made progress in addressing some of the technical compliance deficiencies identified in its MER. The jurisdiction has fully addressed the

deficiencies in respect of Recommendations 4 (initially rated PC), 12 (initially rated PC), 14 (initially rated PC), 15 (initially rated NC), 18 (initially rated PC), 19 (initially rated NC), 23 (initially rated PC), and the expert reviewers agreed to upgrade the rating for each recommendation to C.

50. Reviewers have also evaluated information provided in support of the request for re-rating of Recommendations 10 (initially rated PC), 16 (initially rated PC) and 22 (initially rated PC). However, while significant steps have been taken to address the deficiencies, minor shortcomings still remain. Therefore, it was agreed to re-rate them as LC.

51. While the steps taken to address the deficiencies identified under R. 33 (initially rated PC) have been noted, the information currently provided does not indicate that the country has made sufficient progress to warrant re-rating. On this basis, it was agreed that ratings for R.33 should remain as PC.

52. Overall, in light of the progress made by Zimbabwe since the adoption of its MER, the re-ratings for its technical compliance with the FATF Recommendations were considered and approved by the ESAAMLG Task Force of Senior Officials Plenary as follows:

Recommendation	R 4	R.10	R.12	R.14	R.15	R. 16	R18	R19	R.22	R.23	R.33
MER rating	PC	PC	PC	PC	NC	PC	PC	NC	PC	PC	PC
<b>Approved re-rating</b>	<b>C</b>	<b>LC</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>LC</b>	<b>C</b>	<b>C</b>	<b>LC</b>	<b>C</b>	<b>PC(no rerating)</b>