

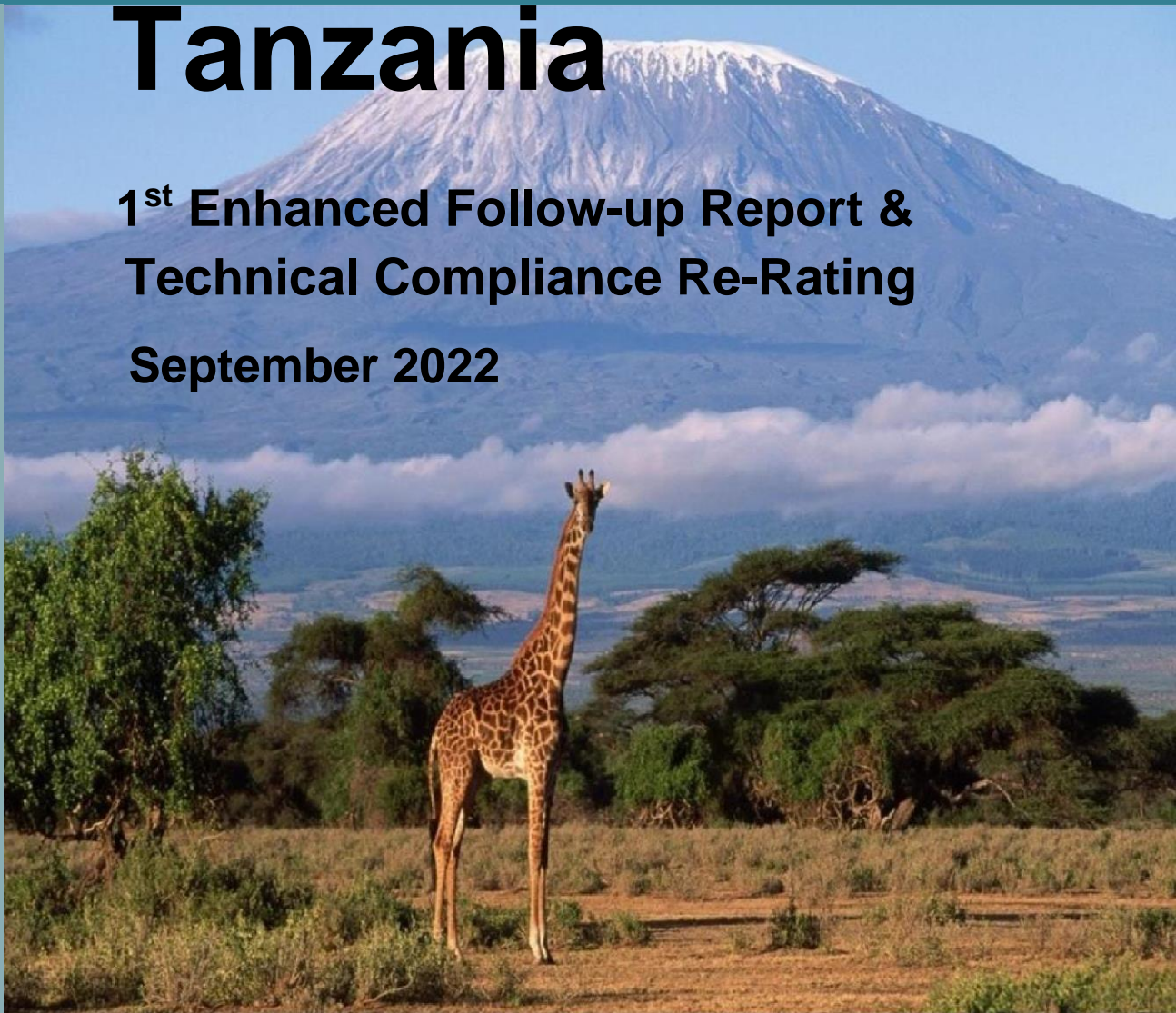


Anti-money laundering and counter-terrorist financing measures

Tanzania

1st Enhanced Follow-up Report & Technical Compliance Re-Rating
September 2022

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 20 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

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This report was approved by the ESAAMLG Task Force of Senior Officials at the August/September 2022 meeting in Livingstone, Zambia.

Citing reference:

ESAAMLG (2022), *Anti-money laundering and counter-terrorist financing measures - Tanzania*, 1st Enhanced Follow-up Report & Technical Compliance Re-Rating, ESAAMLG, Dar es Salaam

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UNITED REPUBLIC OF TANZANIA: 1ST ENHANCED FOLLOW-UP REPORT ON TECHNICAL COMPLIANCE FOR RE-RATING

I. INTRODUCTION

1. The ESAAMLG evaluated the Anti-Money Laundering and Combating the Financing of Terrorism and proliferation financing (AML/CFT) regime of the United Republic of Tanzania under its Second Round of Mutual Evaluations from 01st to 12th July 2019. The Mutual Evaluation Report (MER) was adopted by the ESAAMLG Council of Ministers in June 2021. According to the MER, United Republic of Tanzania was Compliant (C) with 3 Recommendations, Largely Compliant (LC) with 11 Recommendations, Partially Compliant (PC) with 17 Recommendations and Non-Compliant (NC) with 9 Recommendations. Out of the 11 Immediate Outcomes (IOs), United Republic of Tanzania was rated Moderate Level of Effectiveness on 2 IOs and Low Level of Effectiveness on 9 IOs. Details of the MER ratings are provided in the Table 2.1 below. This follow-up report analyses progress made by Tanzania to address the technical compliance deficiencies identified in its MER. TC re-ratings are given where sufficient progress has been demonstrated. The report does not analyse any progress United Republic of Tanzania has made in improving its effectiveness. Progress in this area will be assessed as part of a subsequent follow-up assessment, and if found to be sufficient, may result in re-ratings of Immediate Outcome ratings at that time.

2. The assessment of United Republic of Tanzania's request for TC re-ratings and the preparation of this report were undertaken by the following experts (supported by the ESAAMLG Secretariat: Chris Likomwa and Muluken Yirga Dubale):

- James Manyonge (Kenya)
- Chanda Lubasi Punabantu (Zambia)
- Kennedy Mwai (Kenya)
- Masautso Ebere (Malawi)
- Agnes Sentala (Malawi)
- Nyirurugo Jean Marie Vianney (Rwanda)
- Gashumba Jeanne Pauline (Rwanda)
- Murenzi Jean Bosco (Rwanda)
- May-Paule Jean (Seychelles)
- Sylvie Faure (Seychelles)

3. Section III of this report highlights progress made by United Republic of Tanzania and analysis undertaken by the Reviewers. Section IV sets out the conclusion and a table showing which Recommendations have been recommended for a re-rating.

II. KEY FINDINGS OF THE MUTUAL EVALUATION REPORT

4. The MER¹ rated United Republic of Tanzania' technical compliance as set out in Table 2.1 below. In the light of these results, United Republic of Tanzania was placed in the enhanced follow-up process²

Table 2.1. Technical compliance ratings³ June 2021

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

III. OVERVIEW OF PROGRESS IN TECHNICAL COMPLIANCE

3.1. **Progress to address technical compliance deficiencies identified in the MER**

5. Since the adoption of the MER in June 2021, United Republic of Tanzania has taken measures aimed at addressing the technical compliance deficiencies identified in the MER. This section of the report summarises progress made by United Republic of Tanzania to improve its technical compliance by addressing the TC deficiencies identified in the MER.

6. ESAAMLG welcomes the steps that United Republic of Tanzania has taken to improve its technical compliance deficiencies. Following this progress, United Republic

¹ Mutual Evaluation of United Republic of Tanzania, June 2021 available at https://www.esaamlg.org/index.php/Mutual_Evaluations/readmore_me/438

² Enhanced follow-up is based on the traditional ESAAMLG policy for members with significant shortcomings (in technical compliance or effectiveness) in their AML/CFT systems and involves a more intense follow-up process.

³ There are four possible levels of technical compliance: compliant (C), largely compliant (LC), partially compliant (PC) and non-compliant (NC).

of Tanzania has been re-rated to Compliant with Recommendations 3, and Largely Compliant with 5.

3.1.1 Recommendation 3 - Money Laundering Offence (Originally rated PC- Upgraded to C)

7. Under its Second Round MER, United Republic of Tanzania was assessed on the requirements of Rec 3 based on Anti Money Laundering Act for Mainland Tanzania and Anti-Money Laundering and Proceeds of Crime Act for Zanzibar. There are amendments that have been made to both the AMLA and AMLPOCA in 2022. URT applied for re-rating of R.3 based on these amendments. In view of this, all the criteria of Rec 3 have been reviewed and where the law has not changed the analysis and the rating remain the same. URT was rated met on 9 criteria while c.3.2 and c.3.6 were rated PM and NM respectively. The deficiencies in the MER in respect of R.3 were: environment crimes are not included as predicate offence for ML; predicate offences for ML do not extend to include conduct that occurred in another country; not clear whether the offence of tax evasion is wide enough to cover all other tax crimes. The analysis will show whether the amendments that have been made to both AMLA 2022 and AMLPOCA 2022 are consistent with the requirements of R.3.

8. S.12 of AMLA and S.7 of AMLPOCA in Mainland Tanzania and Zanzibar respectively that criminalize ML have not substantially changed since the assessment. However, S.12 (2) of AMLA 2022 was introduced. The addition has no impact on requirements of c.3.1. Therefore, the position remains that, “There are two legal regimes for ML operating in URT. The Anti-Money Laundering Act, 2006 (AMLA) applies to Mainland Tanzania with certain aspects of that legislation applying to Tanzania Zanzibar. The Anti Money Laundering and Proceeds of Crime Act, 2009 (AMLPOCA) applies to Tanzania Zanzibar. S. 3 as read with s. 12 of the AMLA fully criminalises the offence of ML in Mainland Tanzania, whereas in Tanzania Zanzibar the offence of ML is fully criminalised in terms of s. 7 of the AMLPOCA. The two pieces of legislation are largely the same save that s. 12 of the AMLA refers to predicate offences while s. 7 of the AMLPOCA refers to serious offences. Criminalisation of ML under s. 12 of AMLA and s. 7 of AMLPOCA is consistent with Article 3(1) (b) & (c) of the Vienna Convention and Article 6 (1) of the Palermo Convention. The said sections provide for the mental elements (intention and knowledge) and physical elements (conversion, transfer, concealment, association etc.) of the offence of money laundering. **Therefore c.3.1 remain met.**

9. Both Mainland Tanzania and Zanzibar changed from a listing to an all-crimes approach. To achieve this, Tanzania re-defined predicate offence under AMLA 2022 to mean “a serious offence as defined in the Proceeds of Crime” Act. POCA has defined serious offence as, “an offence against provisions of any law in United Republic or in a foreign state for a conduct which, had it occurred in United Republic would constitute a

serious offence the punishment of which is either death or imprisonment for a period of not less than twelve months and any offence in which property has been used or proceeds generated or benefit derived. S.2 of AMLPOCA 2022 was amended and it defined serious offence to mean all offences punishable between 12 months and death. Assessors noted that in United Republic, what had been criminalised as at the time of MER was tax evasion and not tax crimes. In the current submission, the authorities have clarified that the assessors concern has been taken care of by the change in approach from listing to all crimes approach. The authorities have provided a list of offences that are considered to qualify as serious offences and therefore predicate offences. Two tables have been provided by the authorities one containing 20 out of the 21 designated offences in the FATF Glossary with sentences ranging from 1 year to up to life imprisonment. The authorities also provided a separate table for environmental and tax crimes. The environmental crimes qualify as serious offences as the punishments range from a minimum of two years imprisonment. The Tax crimes also qualify as serious offences per the POCA definition. Although some tax crimes have sentences that are less than six months imprisonment, the definition of serious offence extends to any offence in which property has been used or proceeds have been generated or benefit derived. It means that those tax offences which have less than six months sentences would still be regarded as serious offences as long as property was used or proceeds generated or a benefit was derived. Therefore, in URT all the designated offences qualify as serious offences and therefore predicate offences to ML. **Therefore c.3.2 is met.**

10. The change from listing approach to all crimes approach means that URT now applies a threshold approach where all predicate offences should qualify as serious offence as defined under both the AMLA and the AMLPOCA. As the deficiency under c.3.2 has been addressed, it follows that all designated categories of offences under the FATF Glossary qualify as serious offences under the URT laws. **Therefore c.3.3 is met.** While the law has not changed in respect of c.3.4 requirements. The assessors found that, “the AMLA adopts the definition of property as given under the Proceeds of Crime Act (POCA). The definition of property in the AMLPOCA is consistent with that in the POCA. The ML offence in the two pieces of legislation is wide enough to cover any type of property provided it can be connected to the specific offences listed in both the AMLA and the AMLPOCA respectively. Property is defined as real or personal property of every description, whether situated in the Mainland Tanzania or in Zanzibar as the case may be or elsewhere and whether tangible or intangible and includes an interest in any such real or personal property. The definition of property in the context of URT is broad enough to cover all property regardless of the value as well as indirect property. Property is defined as real or personal property of every description.....and includes an interest in any such real or personal property.” **Therefore c.3.4 remain met.** Similarly, the law has not changed for c.3.5. The position is that, “neither the AMLA, AMLPOCA or POCA require a person to be convicted of the predicate offence in order for the property to be considered proceeds of crime. This position has been supported by case law within the criminal justice system

of URT where in the case of *DPP vs. ELLADIUS TESHU, Criminal Appeal No. 135 of 2013 (HCT Dsm)* the High Court of Tanzania held that the offences of money laundering and predicate offences listed in the Anti-Money Laundering Act. No. 12 of 2006 can be charged together in the same charge provided there is sufficient information for each of the offences intended to be charged. When proving that property is the proceeds of crime, the case is not explicit or does not pronounce itself on the issues for the necessity for a person to be convicted of a predicate offence. Given however that the Court has held that the offence of money laundering and predicate offences can be charged together, it can safely be presumed that this does away with the need for a prior conviction on the predicate offence. *Therefore c.3.5 remains met.*

11. In Zanzibar under S.2 of AMLPOCA 2022, serious offence has been defined as an offence against provisions of any law in Zanzibar or in a foreign state for a conduct which, had it occurred in Zanzibar would constitute a serious offence and any other offence in which property has been used or proceeds generated or benefit derived. In Mainland Tanzania, with the 2022 consequential amendment to AMLA, predicate offence has been replaced with a definition of serious offence to mean *“an offence against provisions of any law in United Republic or in a foreign state for a conduct which, had it occurred in United Republic would constitute a serious offence the punishment of which is either death or imprisonment for a period of not less than twelve months and any offence in which property has been used or proceeds generated or benefit derived.”* **Therefore c.3.6 is met.** S. 2 and S.12 of the AMLA 2022 has been amended. S. 2 defines ML by referencing S.12. It says, “money laundering” means offences referred to under section 12. S.12 has been enhanced by making the original section 12 as sub-section 1 and addition subsections 2 and 3. S.12 (2) of the AMLA 2022, provides that the offence of money laundering under subsection (1) (which was already considered by assessors) shall be separate, independent and distinct from the crime underlying money laundering. The effect of the amendment is that ML offence can now be committed by the person who commits the predicate offence. The amendment is still broad enough to cater for self-laundering. **Therefore c.3.7 is met.** The law has not changed in respect of requirements of c.3.8. The position remains that “the laws of Tanzania do not explicitly provide that the mental element of the offence may be proved based on objective factual circumstances. It however appears that the concept of inference being drawn from circumstances is acceptable. The Criminal Procedure Act amends S397 of the Police Force Ordinance to allow a police officer interrogating a suspect to inform him that an inference adverse to him may be drawn from his failure or refusal to answer any question drawn from his refusal to answer any question or from his failure or refusal to draw at that stage any matter which may be material to the charge. The Court of Appeal of Tanzania in the case of *Majuto Samuel vs the Republic (Criminal Appeal No. 61 of 2002)* in an appeal against a conviction of murder noted that “...at any rate, it is common knowledge that motive is not necessary in establishing the offence of murder. The intention to cause death may not be manifested in words or utterances to that effect, it can be inferred from the action of

the accused, the appellant in this case.” Also, for c.3.9, c.3.10 and c.3.11 the law has not changed and **therefore c.3.8, c.3.9, c.3.10 and c.3.11 remain met.**

Weighting and conclusion

12. URT was rated met with 8 of the 11 criteria of this recommendation. Deficiencies were noted in c.3.2 and c.3.6 which were rated PM and NM respectively while c.3.3. was non-applicable due to the listing approach. The outstanding deficiencies in the MER were; environment crimes not included as predicate offence for ML; predicate offences for ML do not extend to include conduct that occurred in another country and it was not clear whether the offence of tax evasion is wide enough to cover all other tax crimes. The current analysis and information provided shows that URT has addressed all of the outstanding deficiencies, that is, environmental crimes are now predicate offences for ML and also that such offences do extend to include conduct that occurred in another country. Tax crimes have been covered as serious offences and therefore predicate offences to ML. **Therefore R.3 should be re-rated from PC to C.**

3.1.2 Recommendation 5 – Terrorist Financing Offence (Originally rated PC – Upgraded to LC)

13. Under its Second Round MER, United Republic of Tanzania was assessed on the requirements of Rec 5 based on Prevention of Terrorism Act, 2002 and it was rated PC. Using the Anti-Money Laundering (Amendment) Act, 2022, URT passed substantial amendments to the POTA. These amendments, at present, do not appear under POPTA. They are all contained in the AMLA 2022. URT applied for re-rating of R.5 based on these amendments. In view of this, all the criteria of Rec 5 have been reviewed and where the law has not changed the rating remain the same. URT was rated met on 4 criteria (c5.3, c5.5 c5.9, c5.10). It was rated MM on 2 criteria (c.5.7 and c5.8.). It was rated PM on 4 criteria (c5.1. c.5.2, 5.4, c5.6) and NM on c5.2bis. The deficiencies with R.5 includes; that legal framework does not cover all terrorist acts in the protocols annexed to TF convention; legal framework does not criminalize willful provision or collection of other assets to terrorists or terrorist organisation; no legal provision to cover financing of an individual terrorist; and financing of foreign terrorist fighters was not covered; no provision for a TF offence where the funds have not actually been used or linked to a specific terrorist act. Our analysis shows that the amendments that have been made to POTA via AMLA 2022 are consistent with the requirements of R.5.

14. S. 13 of the POTA as amended via consequential amendment to AMLA 2022 provides that a person who finances terrorism or a person who willfully provides or collects, by any means, directly or indirectly, funds within or outside the United Republic with the intention that the funds may be used, or with the knowledge that they may be used, in order to carry out terrorist acts, commits an offence. Terrorist acts has been

defined under the AMLA 2022 consequential amendments to mean an act or threat of action or omission which involves: (a) an attack upon a person's life which may cause death or serious bodily harm; (b) the kidnapping of a person; (c) serious damage to property; (d) a serious risk to the health or safety of the public or a section of the public; (e) the use of firearms or explosives; (f) releasing into the environment or any part of it or distributing or exposing the public or any part of it to any- (i) dangerous, hazardous, radioactive or harmful substance; (ii) toxic chemical; or (iii) microbial or other biological agent or toxin; (g) disruption of any computer system or the provision of services directly related to communications infrastructure, banking or financial services, utilities, transportation or other essential infrastructure; or (h) disruption of the provision of essential emergency services such as police, civil defence or medical services. Also, under Section 4 of the POTA as amended by AMLA 2022 consequential amendments provides that; *“Any person within or outside the United Republic who commits a terrorist act commits an offence. (2) A person commits a terrorist act if the act or omission is committed with the aim of- (a) seriously intimidating or causing fear amongst members of the public or a section of the public; (b) seriously intimidating or compelling the Government or an international organisation to do or refrain from any act; or (c) seriously destabilising the religious, political, constitutional, economic or social institutions of a country or an international organisation”*. Although the definition of terrorist acts is wide, it remains unclear if the definition has covered all acts provided in the protocols to the TF Convention. URT has opted not to make any reference to the TF Convention in the definition of terrorist acts. It means therefore that the terrorist acts themselves have to be listed in the definition. The authorities have submitted that the Annexes to the TF Convention have been listed in the POTA 2022 Regulations. However, these Regulations were not promulgated at the time of submission of this re-rating and cannot be reviewed. As such the same deficiencies that were noted by the assessors in the MER will remain outstanding as it remains unclear whether the term terrorist acts are broad enough to cover all offences listed in the annexes to the TF Convention. **On this basis, criterion c.5.1 is partly met.** S. 13 of POTA as amended by AMLA 2022 provides that, “A person who finances terrorism or a person who wilfully provides or collects, by any means, directly or indirectly, **funds** within or outside the United Republic with the intention that the funds may be used, or with the knowledge that they may be used, in order to carry out terrorist acts, commits an offence and shall upon conviction be liable to imprisonment for a term of not less than twenty years. S. 14. (1) of POTA as amended by AMLA 2022 provides that a person who, directly or indirectly, collects **property** or provides, invites a person to provide, or makes available, property or financial or other related services (a) intending that they be used, in whole or in part, for the purpose of committing or facilitating the

commission of a terrorist act, or for the purpose of benefiting any person who is committing or facilitating the commission of a terrorist act; (b) knowing that in whole or in part, they may be used by, or shall benefit, individual terrorist or a terrorist group, commits an offence. The same AMLA 2022 has defined funds as “has the meaning ascribed to it under the Prevention of Terrorism Act”. The POTA by a 2012 amendment defined funds as; *(a) assets of any kind, whether tangible or intangible, movable or immovable, by whatever means acquired; (b) legal document or instrument in any form, including electronic or digital, evidence to title, or interest in such assets; (c) bank credits, travelers cheques’, bank cheques’ money orders, shares, bonds and other securities, drafts and letters of credits* In the MER, assessors made a finding that “Section 14 [repealed] of POTA provides for provision or collection of property or provision of financial services and the definition of ‘property’ is wide enough to include funds. The definition of property remains applicable as at the time of assessment. Although property has been defined and assessors made their finding on it, property and financial services has been used in S.14 only while S. 13 has used the word funds. As indicated earlier, the word funds have been defined and the definition is in accordance with the FATF Glossary. **Therefore criterion c.5.2 has been met.** S.14A of POTA as amended consequentially via AMLA 2022 prohibits any person from travelling or attempt to travel within or outside the United Republic or from funding, organizing, facilitating or recruiting a person to travel or attempted travel with intent that the travel is for purposes of (i) perpetrating, (ii) planning, (iii) preparing or (iv) participating in a terrorist act, financing of terrorism, proliferation or proliferation financing or providing or receiving terrorist training or joining or providing support to a proscribed organisation, commits an offence. **On this basis, criterion c.5.2bis is met.**

15. The law has not changed for requirements of c.5.3. The URT law does not differentiate between legally and illegally obtained funds or property. Section 3 of the POTA defines property as meaning “any property and any assets of every description, whether corporeal or incorporeal movable or immovable, tangible or intangible and deeds and instruments evidencing title to, interest in, such property or assets and includes bank account.” The definition of property is wide enough to cover all sorts of assets. **Therefore criterion c.5.3 remains met.** S. 14 (2) of the POTA as amended via AMLA 2022 provides that it shall not be necessary to prove that the funds or other assets were used for carrying out, attempt, or linked to a terrorist act. **Therefore criterion c.5.4 is met.** The position is the same in respect of requirements of c.5.5. Assessors established that “the POTA or other laws of Tanzania do not explicitly provide that the mental element of the offence may be proved based on objective circumstances. It however appears that the concept of inference being drawn from circumstances is acceptable. The Criminal Procedure Act amends section 397 of the Police Force Ordinance to allow a police officer interrogating a suspect to inform him that an inference adverse to him may be drawn from his failure or refusal to answer any question or from his failure or refusal to draw at that stage any matter which may be material to the charge. The Court of Appeal of Tanzania in the case of Majuto Samuel vs the Republic (Criminal Appeal No. 61 of 2002)

in an appeal against a conviction of murder noted that "...at any rate, it is common knowledge that motive is not necessary in establishing the offence of murder. The intention to cause death may not be manifested in words or utterances to that effect, it can be inferred from the action of the accused, the appellant in this case." Based on the above provision and the determination of the Court, it is the Assessor's consideration that the element of intent and knowledge can be inferred from objective factual circumstances." **Therefore c.5.5 is met.**

16. The deficiencies noted in the MER were that the sentences do not include monetary penalties. Further that the scope of the TF offence is limited in that it does not cover the financing of an individual terrorist and as such also limits the availability of sanctions for individual terrorists. The assessors found that the sanctions appear to be proportionate and dissuasive. S. 14 of the POTA as amended via AMLA 2022 addresses the issue of individual terrorist. S, 27A of the POTA as amended via AMLA 2022 provides for monetary penalties of an individual, body corporate or directors of body cooperate. **Therefore c.5.6 is met.**

17. In the MER, c5.7 was rated mostly met. The assessors were not clear on the deficiency. Other than the laws that were relied upon during assessment, S.27A of the POTA as amended via AMLA 2022 provides for sanctions against an individual and body corporate where there is no specific monetary penalty in the laws. For individual, minimum penalty is 100M TZS and a maximum of 500M TZS. For a corporate, a minimum of 500M TZS or three times the money involved whichever is greater. **As such c.5.7 is met.**

18. The identified deficiencies are still outstanding for c.5.8, that is, "it is not clear how participation as an accomplice in an attempted TF offence and organizing or directing others in an attempted TF offence are covered by this or any other provision. Also, section 27 appears not to cover criterion 5.8 (d) "contribute to the commission of one or more TF offence(s) or attempted offence(s), by a group of persons acting with a common purpose.". **Therefore criterion c.5.8 remain mostly met.**

19. Tanzania has changed from a listing to all crimes approach with the definition of a predicate offence under AMLA 2022 to include all serious offences that have a minimum sentence of twelve month to death sentence. TF offences are serious offences. TF offences are therefore designated as ML predicate offences. As regards c.5.10, the law has not changed. The assessors established that "under section 2 (2) of the POTA, any person who commits an offence punishable under that Act beyond the URT shall be dealt with under the POTA in the same manner as if the act constituting an offence was committed in the United Republic of Tanzania. Also, under s.34 (6) of the POTA, for the purposes of prosecuting offences under the POTA, an act or omission committed outside the United Republic and which would, if committed in the United Republic constitute an offence under the POTA, shall be deemed to have been committed in the United Republic if the

person committing the act or omission is present in the United Republic and cannot be extradited to a foreign state having jurisdiction over the offence constituted by such act or omission. **Criteria c.5.9 and c.5.10 are met.**

Weighting and conclusion

20. URT was rated met on 4 criteria (c5.3, c5.5 c5.9, c5.10). It was rated MM on 2 criteria (c.5.7 and c5.8.). It was rated PM on 4 criteria (c5.1. c.5.2, 5.4, c5.6) and NM on c5.2bis. The deficiencies noted were that; legal framework does not cover all terrorist acts in the protocols annexed to TF convention; legal framework does not criminalise willful provision or collection of other assets to terrorists or terrorist organisation; no legal provision to cover financing of an individual terrorist; financing of foreign terrorist fighters is not covered; and no provision for a TF offence where the funds have not actually been used or linked to a specific terrorist act. URT has addressed most of the above deficiencies. However, it remains unclear if the legal framework covers all terrorist acts in the protocols annexed to the TF Convention. Also, it is not all deficiencies expect 5.8 which remain mostly met and the outstanding deficiencies being that it is not clear how participation as an accomplice in an attempted TF offence and organizing or directing others in an attempted TF offence are covered by this or by any other provision. Also, section 27 appears not to cover criterion 5.8 (d) “contribute to the commission of one or more TF offence(s) or attempted offence(s), by a group of persons acting with a common purpose.” **The outstanding deficiencies are considered minor therefore R.5 should be re-rated from Partially Compliant to Largely Compliant.**

IV. CONCLUSION

21. United Republic of Tanzania has made progress in addressing some of the technical compliance deficiencies identified in its MER. Reviewers considered information provided in support of the request for re-rating of Recommendations 3 and 5 (both initially rated PC), and **recommend re-rating of R.5 to LC while R.3 should be re-rated to C.**

22. Considering overall progress made by United Republic of Tanzania since the adoption of its MER, its technical compliance with the FATF Recommendations has been revised as shown in Table 4.1 below.

Table 4.1 Technical Compliance Re-rating, September 2022

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

23. Tanzania will remain in enhanced follow-up and will continue to inform the ESAAMLG of the progress made in improving and implementing its AML/CFT measures.