Middle East and North Africa Financial Action Task Force (MENAFATF)

20th Annual Report for the year 2024

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MENAFATF is of a voluntary and cooperative nature, independent of any other international body or organization, established by virtue of an agreement between the governments of its members, not by virtue of an international treaty. It determines its works, rules, regulations and procedures and cooperates with other international bodies, especially FATF, to achieve its objectives.

The MENAFATF continuously seeks to create an effective partnership and strengthen cooperation with international and regional bodies in the areas of the MENAFATF's work, especially with regard to providing training and technical assistance to its Member Countries.

For more information about MENAFATF, please visit the website: http://www.menafatf.org/

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President'S Foreword

In the Name of Allah, the Most Compassionate, Most Merciful,

Greetings,

I am pleased to present to you the 20th Annual Report of the The Middle East and North Africa Financial Action Task Force (MENAFATF) for the year 2024, under the presidency of the Republic of Yemen. On this occasion, I would like to express my sincere gratitude and appreciation to the member countries for the trust they have placed in the Republic of Yemen to assume the presidency of the MENAFATF, and for their continued support in implementing our shared objectives. We are committed to continuing the efforts devoted to developing and improving performance, building upon the vision of previous MENAFATF presidents, with the aim of achieving tangible progress in strengthening regional and international cooperation in the field of combating money laundering and terrorist financing.

Yemen has been keen to ensure complete alignment between its presidency priorities and the MENAFATF's strategy, in pursuit of achieving its key regional objectives. In this context, I have worked to strengthen cooperation with member countries, observers, and the Secretariat, with the aim of achieving the objectives for which the MENAFATF was established in combating money laundering and terrorist financing, and preventing criminals and terrorists from exploiting the financial system in the region.

Considering that mutual evaluation processes are among the fundamental pillars of the MENAFATF's work that require continuous support, we have been keen during our presidency to continue improving the readiness of the region's countries for the mutual evaluation process, and enhancing their commitment to international standards for AML/CFT/CPF. During 2024, the procedures for mutual evaluation and follow-up processes for the MENAFATF's third round of mutual evaluations were adopted, which will be applied to evaluation processes in the upcoming period.

On another level, the Republic of Yemen during its presidency in 2024 worked on strengthening cooperation and coordination with international and regional partners. Recognizing the importance of preventing organized crime groups from benefiting from criminal proceeds, as well as the necessity of tracking, seizing, and recovering assets, the establishment of the Asset Recovery Inter-Agency Network (ARIN) in the Middle East and North Africa was endorsed at the 38th Plenary Meeting of the Task Force, held in May 2024.

Finally, we affirm our commitment to continue working according to the MENAFATF's priorities as reflected in the Strategic Plan for the upcoming period and its resulting Action Plan, which include operational priorities aimed at developing and enhancing the MENAFATF's performance in line with future challenges.

In conclusion, as my presidency for the year 2024 comes to an end, we hope that the Republic of Yemen has effectively contributed to helping the MENAFATF implement its action plan and achieve its goals and successes, especially in the area of developing its performance and increasing its effectiveness. This has been possible thanks to the continuous coordination and support provided by the Secretariat and the cooperation of the member countries. We also affirm in this context the Republic of Yemen's continued support for the MENAFATF and its work, in a manner that serves the interests of the countries in our region and strengthens joint cooperation in facing regional and international challenges.

With all due respect,

H.E Mr. Hani Mohammed Wahab

Vice Minister of Finance

Chairman of the National Committee for Combating Money Laundering and Terrorist Financing

President of the MENAFATF

Executive Secretary's Foreword

In the Name of Allah, the Most Compassionate, Most Merciful,

I am pleased to introduce this Annual Report of the Middle East and North Africa Financial Action Task Force (MENAFATF) for the year 2024. This year has been full of challenges, but it has also witnessed numerous opportunities and notable achievements, as the MENAFATF initiated five mutual evaluation processes during 2024 for the Republic of Iraq, the State of Kuwait, the Sultanate of Oman, and the Republic of Djibouti. The MENAFATF also discussed a number of self-assessment reports related to several countries facing the risk of not undergoing the mutual evaluation process during the current round, which included the Syrian Arab Republic, the State of Libya, and the Republic of Yemen. Member countries continued to improve their AML/CFT systems during 2024. These efforts resulted in the adoption of eight reports within the enhanced follow-up process, reflecting the commitment of member countries to implementing international standards and strengthening the capacity of their systems to face challenges in this field.

On another level, and as part of efforts to build capacity among the MENAFATF's member countries, five workshops and training courses were organized in partnership with international and regional organizations and partners, with the generous hosting of four member countries. The MENAFATF also held a Typologies and Capacity Building Workshop during 2024 in cooperation with the AML/CFT Executive Office in the State of Qatar. This workshop was attended by more than one hundred participants from member countries, FATF observers, FSRBs, international organizations, as well as the private sector and academics. In the same context and as part of capacity development, this year witnessed the signing of the MENAFATF's E-Learning Agreement.

Additionally, the Secretariat, in cooperation with a group of member countries and observers, worked on translating six guidance documents issued by the FATF into Arabic. These efforts are dedicated to enhancing the keeping pace with developments in the AML/CFT/CPF fields.

In conclusion, I can only extend my sincere gratitude and appreciation to H.E Mr. Hani Mohammed Wahab, President of the MENAFATF for the year 2024, Vice Minister of Finance and Chairman of the National Committee for Combating Money Laundering and Terrorist Financing, for his continuous efforts and ongoing support to the Secretariat. I would also like to extend my gratitude to all member countries and observers for their support and valuable cooperation, and to all my colleagues in the Secretariat for their dedication and continuous work to achieve the MENAFATF s objectives.

Peace be upon you, Allah’s Mercy and His Blessings.

Suliman bin Rashid Al-Jabrin

MENAFATF Executive Secretary

1. Section One: Overview of MENAFATF

Given the severe negative impact of ML/TF crimes on the financial and economic systems on local, regional and global levels, the idea of establishing a regional group for the Middle East and North Africa region was proposed in 2003 to combat money laundering and terrorist financing, similar to the Financial Action Group (FATF). On 30 November 2004, in the city of Manama, the capital of the Kingdom of Bahrain, the governments of 14 Arab countries decided, to establish the Middle East and North Africa Financial Action Task Force ("MENAFATF") during a ministerial meeting; after its establishment, 7 other countries joined the MENAFATF. All member countries signed a memorandum of understanding, which represented a historic achievement for Arab Countries which expressed their commitment to mitigate ML/FT risks and combat these crimes.

The Kingdom of Bahrain hosts the headquarters of the MENAFATF's Secretariat, where it has begun its work since its inception. The Kingdom has provided the premises with all the necessary means and equipment. In confirmation of the importance of the role assigned to the MENAFATF, the latter signed a headquarters agreement with the government of the Kingdom of Bahrain, which was approved by both the Shura Council and the House of Representatives. On 26 March 2009, The King of the Kingdom of Bahrain, His Majesty King Hamad bin Isa Al Khalifa, issued Law No. (5) of 2009 ratifying the agreement and publishing the law in the Official Gazette on 02 April 2009.

1.1Mandate and Objectives

A. Mandate

The MENA FATF is a voluntary and cooperative group independent of any other international body or organization. The MENAFATF was established by an agreement between the governments of its members. This agreement determines its work, systems, rules and procedures, and cooperates with other international bodies, especially the FATF, in order to achieve its goals. The MENAFATF is committed to AML/CFT/CPF in the region by working to implement and disseminate relevant international policies and standards and effectively promote compliance therewith, especially the FATF recommendations and relevant United Nations Security Council resolutions.

The MENAFATF's mission is to unify and continue the joint efforts of countries in the Middle East and North Africa in AML/CFT/CPF in the region through the effective implementation of international standards at the level of all Member Countries, by:

- ✓ Recognizing ML/TF/PF risks in countries of the Middle East and North Africa region; And

- ✓ Supporting the implementation of the FATF's 40 recommendations on AML/CFT/CPF, the relevant United Nations treaties and United Nations Security Council resolutions, and accepted international standards in this regard, as well as any other standards adopted by Arab countries to strengthen the fight against money laundering, terrorist financing and proliferation in the region; And

- ✓ Staying aware that Member Countries need to comply with these standards to establish and implement an effective framework that does not conflict with their cultural values, constitutional frameworks and legal systems.

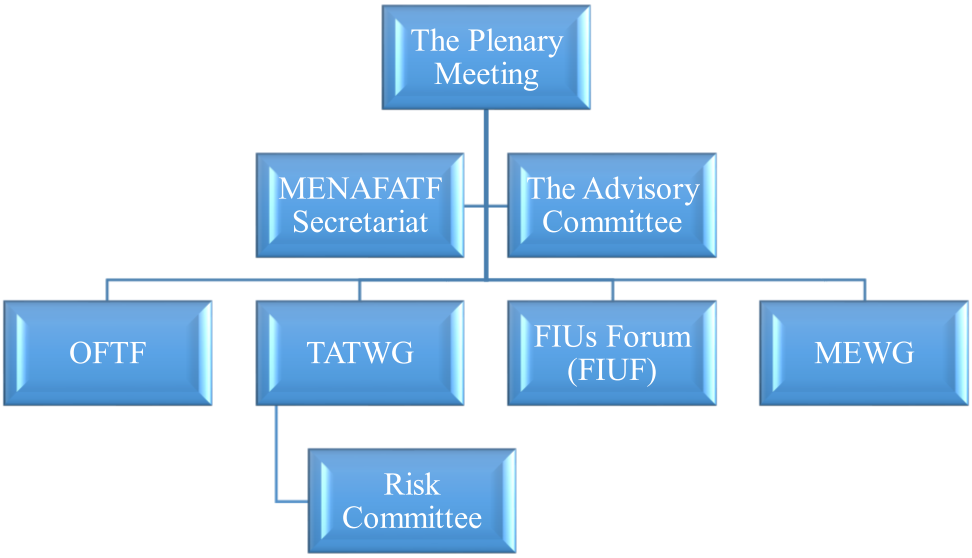
B. MENAFATF Objectives

The Member Countries of the MENAFATF work to achieve the following objectives:

- ✓ To adopt and implement the FATF 40 Recommendations on combating money laundering and financing of terrorism and proliferation.
- ✓ To implement the relevant UN treaties and agreements and United Nations Security Council Resolutions.
- ✓ To co-operate with each other to increase compliance with these standards within the MENA Region and to cooperate with other international and regional organizations, institutions and agencies to improve compliance worldwide.

- ✓ To work jointly to identify key regional issues related to money laundering, terrorist financing and proliferation and to develop solutions accordingly, and to share relevant experiences among Member countries.
- ✓ To take measures across the region to effectively combat money laundering, terrorist financing and proliferation without contradicting the cultural values, constitutional frameworks and legal systems of Member countries.

1.2 General Structure of the MENAFATF



A. The Plenary Meeting

The Plenary Meeting is the body in charge of taking decisions within the MENAFATF. The Plenary meeting consists of representatives from Member Countries and observers with extensive experience in AML/CFT/CPF. The Plenary meeting is held at least twice a year, with the presidency Country hosting one of them during its presidency, and the MENAFATF secretariat's home country hosting the other.

Member countries

The Hashemite Kingdom of Jordan
Kingdom of Bahrain
eople’s Democratic Republic of Algeria
Kingdom of Saudi Arabia
Syrian Arab Republic
Republic of Iraq
State of Palestine
State of Kuwait
State of Libya
Kingdom of Morocco
Republic of Yemen
United Arab Emirates
Republic of Tunisia
Republic of Djibouti
Republic of Sudan
Federal Republic of Somalia
Sultanate of Oman
State of Qatar
Lebanese Republic
Arab Republic of Egypt
Islamic Republic of Mauritania

Observers

French Republic
USA
Australia
International Monetary Fund
The Cooperation Council for the Arab States of the Gulf
Egmont Group
WCO
EWG
The European Commission
UK
Kingdom of Spain
Federal Republic of Germany
World Bank
FATF
APG
Arab Monetary Fund
United Nations
The Russian Federation

B. President and Vice President

The MENAFATF Presidency constitutes a pivotal role in achieving the goals of which it was established. The President and Vice-President (the next President) are appointed periodically from MENAFATF Member countries according to the alphabetical order of the countries, for a year. The MENAFATF's Executive Secretary advises both the President and Vice President.

H.E Mr. Hani Mohammed Wahab, President of MENAFATF, Republic of Yemen

H.E Ms. Samya Abou Sharif, Vice President of MENAFATF, Hashemite Kingdom of Jordan

C. The Advisory Committee

The Advisory Committee is a committee that aims to provide advice to the President and the Secretariat with regards to the cases related to policies and mechanisms' implementation. The Committee also provides its recommendations to the Plenary for discussion and decision-making. It which consists of:

- The MENAFATF President who is the Committee's Chairman
- The MENAFATF Vice-President who is the Committee's Vice-Chairman.
- The previous President of the MENAFATF
- MEWG Co-Chairs.
- TATWG Co-Chairs.
- Two countries that were unable to hold the MENAFATFs presidency during the first round of presidency.
- The General secretary of the Committee shall be the MENAFATF Executive Secretary

D. MENAFATF Secretariat

The MENAFATF's Secretariat carries out technical and administrative functions according to the decisions of the Plenary meeting and under the guidance of the Executive Secretary.

The MENAFATF is an Associate Member of the FATF and holds the observer status on a reciprocal basis with the: Egmont Group of Financial Intelligence Units (EGMONT), the Asia/Pacific Group on Money Laundering (APG), and the Eurasian Group (EAG).

2. *Section Two: MENAFATF Performance -Accomplishments*

2.1MENAFATF Strategic Plan 2022 - 2024

The MENAFATF strategic plan 2025-2027 was approved during its 38th Plenary meeting in May 2024. The plan reflects the main objectives of the MENAFATF's establishment stipulated in the MoU and is based on the current stage of developing AML/CFT/CPF systems in the Middle East and North Africa region, taking into account current needs and trends.

- **First Strategy**: Preparation and commencment of the third round of mutual evaluation processes.
- **Second Strategy:** Enhancing the commitment and effictivness of the member countries in applying AML/CFT/CPF international standards.
- **Third Strategy:** Enhancing the political commitment of the MENAFATF.
- **Fourth Strategy**: Enhancing communication with FATF, international network and international organizations.
- **Fifth Strategy:** Stabilizing resources for the Secretariat.

2.2Priorities of the Pepublic of Yemen's Presidency for 2024

Within the framework of the MENAFATF's completion of its achievements and moving forward in fulfilling its objectives and developing its work, the The Republic of Yemen, upon assuming the presidency of the MENAFATF during 2023, aspired to contribute effectively to the development of a presidential program consistent with the MENAFATF's strategy, in order to ensure the continuity and the development of existing work by focusing on the following priorities:

1- Continue implementing and completing the MENFATF's strategic plans to achieve its objectives.
2- Develop the institutional status and governance of the MENAFATF.
3- Raise the level of coordination and support between the MENAFATF and international observers.
4- Work to complete the mutual evaluation process and enhance the quality and consistency of reports with FATF standards.
5- Encourage international and regional donors to participate in building the capacities of member countries' personnel.
6- Strengthen joint efforts in identifying regional issues, exchanging experiences, and developing solutions for them.

2.3Overview on implementing the action plan of 2024

The MENAFATF's strategic priorities for 2022-2024 are reflected in the annual action plans that detail the tasks to undertake. The following are the most prominent achievements of the MENAFATF's action plan for 2023:

- Adoption of 4 MERs, which included: Republic of Iraq, State of Kuwait, Sultanate of Oman and Republic of Djibouti.
- The United Arab Emirates exit the ICRG in February 2024.
- Submission of the third annual report on the progress made by implementing the FATF Action Plan to Enhance the MENAFATF's Effectiveness in October 2024, which received recognition from the global network.
- Translation **of 6 guidelines** issued by the FATF.
- Organization of 5 workshops, conferences and training courses, from which nearly 200 participants benefited, including all authorities concerned with AML/CFT/CPF.
- Organization of Typologies and Capacity Building workshop held in October in the State of Qatar.

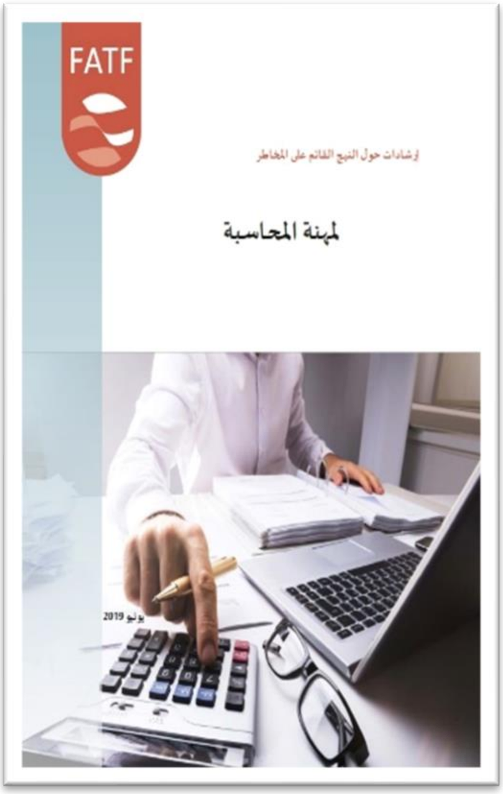
2.4Translation of various guidelines issued by FATF

The MENAFATF's secretariat, during 2023, in cooperation with some Member Countries and observers, translated 5 guidelines issued by the FATF to Arabic with the aim of enhancing awareness of the Middle East and North Africa region and keeping pace with developments related to AML/CFT/CPF. They were published on the MENAFATF's website, namely:

- ✓ Guidance for A Risk-Based Approach: Transparency and Beneficial Owners
- ✓ Guidance for a Risk-Based Approach for the Accounting Profession
- ✓ Guidance for A Risk-Based Approach to Company and Trust Service Providers
- ✓ Guidance for a Risk-Based Approach for Trust and Company Service Provides
- ✓ Money Laundering and Terrorist Financing Through Trade in Diamonds
- ✓ Money Laundering and Terrorist Financing Risks and Vulnerabilities Associated with Gold


FATF
EGMONT
تقرير مجموعة العمل المالي
غسل الأموال وتمويل الإرهاب من خلال تجارة الماس
أكتوبر 2013


FATF
إرشادات حول النهج القائم على المخاطر
لمقدمي الخدمات للشركات والصناديق الائتمانية
يونيو 2019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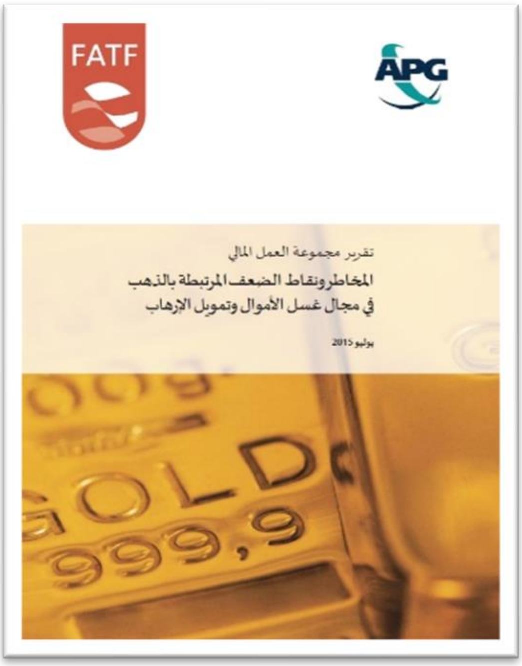
إرشادات حول النهج القائم على المخاطر
لمهنة المحاسبة
يونيو 2019


FATF
APG
تقرير مجموعة العمل المالي
المخاطر ونقاط الضعف المرتبطة بالذهب في مجال غسل الأموال وتمويل الإرهاب
يوليو 2015
GOLD
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FATF • GAFI
مجموعة العمل المالي (الفاتف)
دليل النهج القائم على المخاطر
لتجار المعادن الثمينة والأحجار الكريمة
17 يونيو 2008


FATF
دليل النهج القائم على المخاطر
الشفافية والمستفيدون الحقيقيون
من الترتيبات القانونية
مارس 2024

3. *Section Three: The main tasks of the MENAFATF*

An Overview and The Most Important Statistics for 2024

3.1 MENAFATF's Working Groups' activities

3.1.1 Mutual Evaluation Working Group (MEWG)

The MENAFATF implements the member countries' assessment program in order to verify the level of effectiveness of the systems applied and their extent of consistency with the international standards on AML/CFT/PF, based on the assessment methodology issued by the FATF. The mutual evaluation process consists of a peer-to-peer assessment, through a careful review, of whether member countries have implemented the requirements of the FATF recommendations and the effectiveness of their systems in addressing the risks to which they are exposed and combating money laundering, the financing of terrorism and proliferation.

The MENAFATF will continuously monitor the progress made by member countries in improving their AML/CFT/CPF systems. Following their evaluation, countries submit follow-up reports within periods specified in the evaluation process procedures which are adopted by the MENAFATF Plenary Meeting.

- **Mutual Evaluation Processes**

Mutual evaluations completed during 2024

During 2024, the MENAFATF adopted three MERs: For the State of Kuwait, published in October 2024, the Sultanate of Oman, published in December 2024, and the Republic of Iraq, published in December 2024, and the Republic of Djibouti, published in January 2025.

Mutual evaluations completed during 2024

The MENAFATF initiated five mutual evaluation processes during 2024 for the Republic of Iraq, the State of Kuwait, the Sultanate of Oman, and the Republic of Djibouti. The MENAFATF also discussed a number of self-assessment reports related to several countries that have not undergone the mutual evaluation process during the current round due to the difficulty of conducting on-site visits because of security conditions. These countries included the Syrian Arab Republic, the State of Libya, and the Republic of Yemen. This reflects the MENAFATF's belief in the importance of supporting these countries in developing and enhancing their AML/CFT systems. These self-assessment reports covered the topic of technical compliance in those countries regarding important recommendations, which are Recommendations 3, 5, 6, 10, 11, and 20, and included the most prominent developments in this regard.

Timeline of Third Round of Mutual Evaluations

Country	Discussions of Plenary Meeting
Republic of Tunisia	April 2016
Islamic Republic of Mauritania	April/May 2018
State of Libya	Postponed*
Kingdom of Bahrain	June 2018
Kingdom of Saudi Arabia	June 2018
Syrian Arab Republic	Postponed*
Kingdom of Morocco	April 2019
Republic of Yemen	Postponed*
The Hashemite Kingdom of Jordan	November 2019
United Arab Emirates	February 2020
Arab Republic of Egypt	June 2021
State of Qatar	February 2022
Lebanese Republic	May 2023
People's Democratic Republic of Algeria	May 2023
State of Palestine	November 2023*
Republic of Sudan	November 2023*
Republic of Iraq	May 2024
State of Kuwait	June 2024
Sultanate of Oman	October 2024
Republic of Djibouti	November 2024
Federal Republic of Somalia	May 2025*

***The mutual evaluation processes were postponed for security reasons.**

○ Follow-up Processes

The Plenary meeting during 2024 adopted eight reports as part of the enhanced follow-up process for the Kingdom of Bahrain, the Kingdom of Morocco, the Hashemite Kingdom of Jordan, the United Arab Emirates, the Arab Republic of Egypt, the People's Democratic Republic of Algeria, the Lebanese Republic, and the State of Qatar.

In this context, it is necessary to point out the tireless efforts made by member countries and the important developments regarding their AML/CFT/CPF systems, as shown in their FURs; Year 2024 witnessed the issuance of many AML/CFT-related laws and regulations. Work was also done to complete NRA related to various important sectors, and countries updated their national AML/CFT strategies, including setting a number of new goals according to local, regional and international changes, and taking many measures through the development of plans by the competent authorities, as well as taking several measures through the competent authorities' development of action plans derived from the MERs recommendations and the results of national and sectoral assessments. The concerned countries also issued instructions and guidelines, and made great efforts in the field of training, awareness, and strengthening the capabilities of competent authorities, which contributed fundamentally to addressing shortcomings related to technical compliance and/or effectiveness.

- **The Third upcoming round of the MEs and FUs**

In the context of the near end of the current round (the second round) of mutual evaluation and follow-up processes, and in preparation for the third round of mutual evaluations of the MENAFATF, it adopted during 2024 the proposed procedures of mutual evaluation and follow-up processes for the third round of mutual evaluation. These procedures will be applied to the mutual evaluation processes that the MENAFATF will undertake, which extend from mid-2025 to mid-2033, according to the timeline for mutual evaluation processes that the MENAFATF has adopted for this purpose.

Timeline of third Round of Mutual Evaluations

Country	Discussions of Plenary Meeting
Republic of Tunisia	November 2026
Islamic Republic of Mauritania	May 2027
United Arab Emirates	February 2027
Kingdom of Bahrain	June 2027
Kingdom of Saudi Arabia	June 2027
Kingdom of Morocco	May 2028
Syrian Arab Republic	November 2028
The Hashemite Kingdom of Jordan	May 2029
Arab Republic of Egypt	November 2029
State of Qatar	February 2030
State of Libya	May 2030
Lebanese Republic	November 2030
State of Kuwait	February 2031
People's Democratic Republic of Algeria	May 2031
Sultanate of Oman	June 2031
Yemen	November 2031
Republic of Iraq	November 2031
Republic of Djibouti	May 2032
Federal Republic of Somalia	May 2032
State of Palestine	November 2032
Republic of Sudan	May 2033

3.1.2 TATWG and Typologies

The MENAFATF works jointly with different stakeholders and partners within its TATWG to identify issues related to money laundering and terrorist financing of a regional nature, exchange experiences regarding them, and develop solutions to deal therewith. This includes producing materials related to typologies to identify and analyze threats, vulnerabilities, and risks related to money laundering and terrorist financing. The TATWG also organizes workshops to exchange expertise and experiences between member countries regarding issues of money laundering and terrorist financing, following up on the latest developments in the field of typologies in the FATF and FSRBs to study and benefit therefrom, and submitting studies to the member countries of the MENAFATF in order to Improving their AML/CFT systems.

- **Workshop on typologies and capabilities building 2024**

Typologies workshops constitute a space for exchanging the results of studies on methods, techniques, trends, and patterns of money laundering and terrorist financing, whether at the national, regional, or international levels, sharing experiences in methodologies for collecting and strategically analyzing information, discussing and understanding the environment of money laundering, terrorist financing, and financing the proliferation, and benefiting from experiences and discussions in keeping up with the various and advanced methods used for money laundering, terrorist financing, and proliferation. Thus, it contributes to capacity building by raising awareness among all parties concerned with the AML/CFT/CPF systems, as well as providing decision-makers and policy experts with up-to-date empirical information that enables them to develop strategies to combat these threats, confront them effectively, and mitigate them.

The MENAFATF held a Typologies and Capacity Building Workshop during 2024 in cooperation with the AML/CFT Executive Office in the State of Qatar. More than one hundred participants took part in this workshop, including representatives from member countries and observers such as the FATF, FSRBs, and international organizations. Experience was discussed and exchanged on several important topics, such as:

- Methods, patterns, and trends in the exploitation of legal persons and legal arrangements for the ML/TF purposes.
- Studies for assessing emerging ML/TF Risks
- Typologies on the risks of potential violations and non-implementation or evasion of targeted financial sanctions.
- Recent trends, patterns, and methods in money laundering related to drug trafficking and corruption.
- The role of the partners in the AML/CFT system.

- **Typologies Reports**

The MENAFATF is working on the 16th Typologies Report on legal persons and legal arrangements. This report aims to identify how criminals launder the proceeds of crime in the Middle East and North Africa region, helping member countries to gain a good understanding of the methods and techniques used to exploit these entities in their financial crimes, and enabling them to detect and disrupt them through taking effective countermeasures.

- **MENAFATF Training Programs**

The MENAFATF held 5 training programs in collaboration with observers, namely:

- International Standards issued by FATF

- International Recommendations and Standards for Combating Terrorism

- Risk Assessment for Legal Persons and Arrangements

- Strategic Analysis-Advanced

- Investigation and Prosecution

3.2 Activities and developments of the MENAFATF’s Forums and Committees

3.2.1 FIUs Forum (FIUF)

FIUs Forum Meeting aims at Exchanging experiences between FIUs in member countries of the MENAFATF, increasing the level of countries’ compliance to Recommendation 29 of the FATF recommendations, studying all requirements for the establishment of an effective FIU, and developing its work, especially with regard to increasing the analytical capacity of its employees, while achieving better regional communication, mutual support, and facilitating deliberations regarding the exchange of information between FIUs in member Countries of the MENAFATF, and support member countries’ membership in the Egmont Group.

During 2024, the Forum contributed through cooperation with the Egmont Group during the FIUs' meetings at both the 26th and 27th meetings by working to encourage and follow up on joining the Egmont Group through explaining and clarifying the strategic objectives of the Egmont Group. The latest developments and prominent work of the Egmont Group in the Middle East and North Africa region were discussed, along with cooperation with candidate FIUs for membership, member state delegations, and sponsors to monitor the progress of FIUs in completing membership procedures with the Egmont Group and identifying the main challenges preventing their joining. The key membership challenges faced by recently joined member countries of the Egmont Group were shared, with clarification of the MENAFATF's strategic objectives, alongside their role in supporting the Forum's business plan for 2024 and 2025. The Forum's action plan for 2024 was completed, and an action plan for the Forum with specific operational objectives for 2025 was developed.

3.2.2 Operational Experts Forum on Terrorist Financing (OFTF)

OFTF aims to provide an opportunity for counter-terrorist financing experts to discuss the risks of terrorist financing within and beyond the Middle East and North Africa region and the inherent challenges of the process of combating terrorist financing. The OFTF targets operational experts from various fields such as Law Enforcement Agencies (LEAs), security agencies and Financial Intelligence Units (FIUs) dealing with terrorist financing issues.

During 2024, and within the framework of fulfilling the operational tasks included in the action plan, the Forum held a closed extraordinary meeting on the sidelines of the specialized workshop on “Counter-Terrorist Financing Mechanisms and Requirements”, in Abu Dhabi, United Arab Emirates. The closed meeting was followed by a panel discussion on the latest developments regarding international standards related to Recommendation 8. The closed meeting also resulted in a set of recommendations that were adopted by the Plenary Meeting.

3.2.3 Risk Committee

The Risk Committee aims to consider all issues related to understanding the risks of money laundering, terrorist financing and proliferation financing. The committee discusses the challenges faced by member countries in the area of ML/TF/PF risks. During 2024, the committee discussed the risks in the DNFBPs sector and the importance of implementing the risk-based approach and benefiting from prominent regional practices to address them. The committee also followed up on the status of implementing technical assistance programs and typologies related to risk areas during 2024, as well as updates on the regional risk assessment project.

The committee is currently working on enhancing the exchange of expertise among member countries and presenting their regional experiences, alongside following up on international publications in the field of risk assessment, presenting these experiences, and translating publications related to national risk assessments. The committee is also working to assist member countries that have not yet completed their risk assessments and developing an action plan for the committee that helps achieve the Forum's objectives. Moreover, a working plan was developed for the Committee starting from December 2024 to November 2025.

4. Section Four: Regional inclusion, international cooperation and partnerships of the MENAFATF

Combating money laundering and associated predicate offences, terrorist financing, and proliferation requires a strong and coordinated global response, as regional inclusion, international cooperation, and intensifying partnerships with member countries, organizations, regional and international bodies, and institutional entities are essential in the field of combating financial crimes. In this regard, the MENA FATF recognizes the importance of coordination with regional and international bodies and strives to expand the scope of this cooperation and partnership, in accordance with Clause 3 of Article 1 related to the MENAFATF's objectives included in the MoU, which stipulates the necessity of cooperation with other regional and international organizations, institutions and bodies to enhance compliance with AML/CFT/CPF standards internationally. The MENAFATF also includes this cooperation in all its tasks stipulated under its Rules and Procedures. Regional inclusion, international cooperation and intensification of FATF partnerships for the Middle East and North Africa region are represented within the framework of:

- Participation in the events and activities of member countries.
- Contribution to the work of international and regional organizations.
- Coordinating the MENAFATF's participation or contribution to the work of international, regional organizations and institutional entities partners.

4.1International Cooperation

Within the framework of the FATF's international cooperation, the MENAFATF contributes regularly and effectively to the work of international and regional organizations. This section addresses formal international cooperation based on the MENAFATF's position as an associate member or observer of the organizations concerned.

A. Financial Action Task Force

The FATF holds the status of an associate member of the MENAFATF, where it participates in all the work of the MENAFATF and its working groups. The MENAFATF and its member countries are always keen to participate effectively in the projects and activities of the FATF to ensure that regional considerations are considered in international standards. The member countries of the MENAFATF are also keen to participate in the training workshops of the FATF to ensure the development of human capacities in the region and their knowledge of the latest good practices on an international level.

- ✓ **MENAFATF's contribution: Providing comments on proposed amendments to standards, guidelines, and best practices. The MENAFATF contributed to the following amendments:**
  - Recommendation 4 on confiscation and provisional measures and its interpretive note (“INR.”)
  - Recommendation 38 relating to mutual legal assistance, freezing and confiscation and its INR.
  - Recommendation 8 on non-profit organizations and their INR.
  - Recommendation 16 on wire transfers and its INR.
  - Draft guidance for Recommendation 25 on transparency and the beneficial ownership of legal arrangements
  - Updating the guideline on the national money laundering risk assessment.
  - FATF Best Practices Update Project for Combating Abuse of Non-Profit Organizations.
  - Updates to reports on the financing of ISIL, Al Qaeda, and loyal groups thereto.
  - Typologies Project on Abuse of Citizenship and Residency by Investment Programs
  - Typologies Project on Illicit Financial Flows from Internet Fraud
  - Typologies project to enhance cooperation with asset recovery networks (ARIN)”
  - Typologies Project on Crowdfunding for Terrorist Financing Purposes
  - Visuals on the scoping note for the project “Identifying the main challenges in IO7”.
  - Providing views on the FATF project to review the priorities of the ICRG for the fifth round.
  - The training team creation project aims to support the FATF Training Center by nominating trained experts to join the team.
- ✓ **The MENAFATF’s participation in FATF training workshops. The MENAFATF participated in the following training workshops:**
  - A forum on the proposed guidelines related to Recommendation 25 with the private sector.
  - A virtual forum entitled “Towards compliance with Recommendation 15”.
  - Training courses on FATF standards.
  - A training course for trainers on international standards issued by the FATF.
  - Training courses for ICRG reviewers.
  - Training programs to qualify and train assessors.
  - Training program for FSRBs secretariats staff on the mutual evaluation process.

B. FSRBs

FSRBs share common goals in implementing FATF standards in their member countries, generally carry out the same tasks and face similar challenges. The MENAFATF is always keen to invite other FSRBs to attend the MENAFATF's meetings and activities and is also keen to attend the activities and events thereof to ensure the exchange of experiences.

C. Egmont Group of Financial Intelligence Units

MENAFATF holds the status of observer member of the Egmont Group and cooperates closely therewith and with the regional representative of the Egmont in view of the common goals, especially regarding the membership of the MENAFATF's Member Countries which did not join the Egmont Group yet. The MENAFATF participated in the working and ragional groups meeting of the Egmont Group, which was held in January/February 2024 in Malta, and presented an overview of its training and effectiveness program for 2024 during the technical assistance and typologies working group meeting. It also attended the meeting of the MENA Countries and discussed with the Regional Representative of the Group common topics and different ways of cooperation.

4.2Partnerships

Within the framework of the MENAFATF's international partnerships, the MENAFATF contributes to the work of international and regional organizations on a regular basis, as the section deals with informal international cooperation, that is, not based on the MENAFATF's status as an associate member or observer in these organizations, while the latter may occupy observer status in the MENAFATF.

5. *Section Five: MENAFATF Financial Statements*

Financial and Administrative Affairs

The MENAFATF Secretariat prepares the financial reports annually, noting that the fiscal year begins on January 1 and ends on December 31, in accordance with international accounting standards, after the external auditor conducts the annual audit of the MENAFATF's accounts and presents it to the Plenary meeting for approval in implementation of Articles 8, 12 and 13 of the MoU, and in accordance with Articles 33 to 49 stipulated in the third part of the Rules and Procedures in each of its first, second, third, fourth and fifth chapters, relating to the fiscal year and financing, and the preparation and implementation of the estimated budget and accounts.

A. Financial Management

- ✓ **Finance**
- ✓ **Estimated Budget**
- ✓ **Accounts**
- ✓ **Financial Statements and Final Accounts for the year ending on 31 December 2024**

Statement of Financial Position as of 31 December 2024 (amounts in USD)

	2024	2023
ASSETS		
NON-CURRENT ASSETS		
EQUIPMENT	15,079	20,069
INTANGIBLE ASSETS	76,226	24,939
RIGHT-OF-USE ASSETS	90,202	------
	181,507	45,008
CURRENT ASSETS		
MEMBERS' CONTRIBUTIONS RECEIVABLES	-	258,423
PREPAYMENTS AND OTHER RECEIVABLES	29,657	30,718
CASH AND BANK BALANCE	4,769,311	4,437,691
	4,798,968	4,726,832
TOTAL ASSETS	**4,980,475**	**4,771,840**
ACCUMULATED FUNDS AND LIABILITIES		
ACCUMULATED FUNDS		
STRATEGIC RESERVE	300,000	300,000
ACCUMULATED FUNDS	2,311,389	2,282,079
TOTAL ACCUMULATED FUNDS	**2,611,389**	**2,582,079**
NON-CURRENT LIABILITIES		
LEASE LIABILITY	47,588	-
DEFERRED GRANTS	215,580	211,769
EMPLOYEE TERMINAL BENEFITS	331,443	215,503
	594,611	**427,272**
CURRENT LIABILITIES		
ACCRUALS & OTHER PAYABLES	66,138	41,710
DEFERRED INCOME - MEMBERS	1,663,513	1,720,779
CURRENT PORTION OF LEASE LIABILITY	44,824	------
	1,774,475	1,762,489
TOTAL LIABILITIES	**2,369,086**	**2,189,761**
TOTAL ACCUMULATED FUNDS AND LIABILITIES	**4,980,475**	**4,771,840**

Statement of Income & Expenditure as of as of 31 December 2024 (amounts in USD)

	2024	2023
INCOME		
CONTRIBUTIONS FROM MEMBERS	2,396,516	2,328,423
OTHER INCOME	114,468	281,492
TOTAL INCOME	**2,510,984**	**2,609,915**
EXPENSES		
DIRECT COSTS	(2,290,928)	(2,048,582)
GENERAL AND ADMINISTRATIVE EXPENSES	(34,172)	(30,338)
DEPRECIATION	(8,237)	(7,753)
AMORTIZATION OF INTANGIBLE ASSETS	(16,888)	(16,346)
DEPRECIATION OF RIGHT OF USE ASSETS	(45,101)	(46,894)
PROVISION FOR DOUBTFUL MEMBERS' DUE CONTRIBUTIONS	(80,093)	-
FINANCE COSTS	(6,255)	(1,561)
TOTAL EXPENSES	**(2,481,674)**	**(2,151,474)**
SURPLUS/(DEFICIT) FOR THE YEAR	**29,310**	**458,441**

6. *Section Six: Foresight*

Over the past years, the MENAFATF has made many strides and faced many challenges to achieve its goals in the field of combating money laundering, terrorist financing. Many member countries have joind the MENAFATF during its years. The MENAFATF has also developed its work and activities, by establishing work groups, forums and specialized committees that meet the needs of member countries in the field of expertise exchange, experience sharing and capacity building, which serves the development of combating systems and benefits the region in particular and the global network and the international financial system in general. It is important to look back at where the MENAFATF started to pay tribute to the position and importance it currently holds.

6.1.1 Previous Presidents' Contribution to the MENAFATF

Before sharing the MENAFATF's most important milestones over the past 19 years, it is necessary to praise the strategic contributions of the MENAFATF's presidents in making these strides and facing the challenges, to achieve its current position, namely:

- His Excellency Dr. Muhammad Al-Baasiri, Lebanese Republic, 2005
- His Excellency Mr. Mahmoud Abdel Latif, Arab Republic of Egypt, 2006
- His Excellency Dr. Umayyah Tuqan, The Hashemite Kingdom of Jordan, 2007
- His Excellency Mr. Abdul Rahim Al-Awadhi, United Arab Emirates, 2008
- His Excellency Mr. Abdul Rahman Al Baker, Kingdom of Bahrain, 2009
- His Excellency Mr. Samir Brahimi, Republic of Tunisia, 2010
- His Excellency Mr. Abdel Majeed Amghar, People's Democratic Republic of Algeria, 2011
- His Excellency Mr. Abdel Nour Haiboush, People's Democratic Republic of Algeria, 2011
- His Excellency Dr. Abdul Rahman Al-Khalaf, Kingdom of Saudi Arabia, 2012
- His Excellency Mr. Essam El-Din Abdel-Qader El-Zein, Republic of Sudan, 2013
- His Excellency Dr. Abdul Basit Turki Saeed, Republic of Iraq, 2014
- His Excellency Dr. Ali Mohsen Ismail, Republic of Iraq, 2014
- His Highness/ Marwan bin Turki Al Said, Sultanate of Oman, 2015
- His Excellency Sheikh Fahd bin Faisal Al Thani, State of Qatar, 2016
- His Excellency Mr. Talal Ali Al-Sayegh, State of Kuwait, 2017
- His Excellency Mr. Abdel Hafeez Mansour, Lebanese Republic, 2018
- His Excellency Dr. Sobhi Mesbah Zaid, State of Libya, 2019
- Mr. Counselor/ Ahmed Saeed Khalil, Arab Republic of Egypt, 2020-2021
- His Excellency Mr. Jawhar Al-Nafisi, Kingdom of Morocco, 2022
- Mr. Mohamed-Lemine DHEHBY, Islamic Republic of Mauritania, 2023

H.E Mr. Hani Mohammed Wahab, Vice Minister of Finance and Chairman of the National Committee for Combating Money Laundering and Terrorist Financing, assumed the MENAFATF's Presidency for the year 2024.

6.1.2 Most Important Milestones of MENAFATF since Inception

2004

- ✓ The MENAFATF was established by a decision issued by the ministerial meeting held on 30 November 2004, in the Kingdom of Bahrain, by 14 Arab countries, namely: The Hashemite Kingdom of Jordan, the United Arab Emirates, the Kingdom of Bahrain, the Republic of Tunisia, the People's Democratic Republic of Algeria, the Kingdom of Saudi Arabia, the Syrian Arab Republic, the Sultanate of Oman, the State of Qatar, the State of Kuwait, the Lebanese Republic, the Arab Republic of Egypt, the Kingdom of Morocco and the Republic of Yemen, and nine observers: The French Republic, the United Kingdom, the United States of America, the FATF, the IMF, the WB, the GCC, the UNODC and the Egmont Group.
- ✓ The Kingdom of Bahrain was unanimously chosen to host the MENAFATF's secretariat.
- ✓ The election of Mr. Mohamed Al-Baasiri from the Lebanese Republic as President for the first year, and Mr. Mahmoud Abdel Latif from the Arab Republic of Egypt as Vice-President.
- ✓ Appointment of Mr. Adel Hamad Al-Qulish from the Kingdom of Saudi Arabia as Executive Secretary to serve for a period of four years, subject to renewal.

2005

- ✓ The meeting was held for the MENAFATF's first year in the Kingdom of Bahrain.
- ✓ Granting the Republic of Iraq and the Islamic Republic of Mauritania membership in the MENAFATF.
- ✓ Formation of the MEWG and the TATWG.

2006

- ✓ Approval of the MENAFATF's first strategic plan for the next three years 2007-2009.
- ✓ Approval of the MENAFATF's Rules and Procedures.
- ✓ Granting the Republic of Sudan membership in the MENAFATF.
- ✓ Joining the State of Palestine and the Kingdom of Spain as observer members of the MENAFATF.

2007

- ✓ Obtaining the status of an associate member of the FATF.
- ✓ Obtaining the status of an observer member of the APG.
- ✓ Joining the APG, as an observer member of the MENAFATF.

2008

- ✓ Granting the State of Libya membership in the MENAFATF.
- ✓ Joining the WCO as an observer member of the MENAFATF.

2009

- ✓ Adoption of formation of FIU's Forum.

2010

- ✓ Joining the AMF and the Eurasian Community as an observer member of the MENAFATF.

2011

- ✓ Obtaining the status of an observer member of the EAG.
- ✓ Joining the United Nations as an observer member of the MENAFATF.

2012

- ✓ Adoption of the international standards of the 40 recommendations on combating money laundering, terrorist financing, and proliferation.
- ✓ End of the first round of the mutual evaluation process.

2013

- ✓ Adoption of the formation of the NRA Committee.
- ✓ Adoption of the amendment to the MoU.

2014

- ✓ Joining of the Federal Republic of Somalia as an observer member of the MENAFATF.
- ✓ Adoption of the follow-up process for voluntary tax compliance programs in member countries.

2015

- ✓ Granting the State of Palestine membership in the MENAFATF.

2016

- ✓ Joining of Australia as an observer member of the MENAFATF.

2018

- ✓ Granting the Republic of Djibouti and the Federal Republic of Somalia membership in the MENAFATF.
- ✓ Joining of the Federal Republic of Germany as an observer member of the MENAFATF.
- ✓ Creation of the Advisory Committee.
- ✓ Adoption of the principles of chairing the MENAFATF's work groups.

2020

- ✓ Joining the European Commission as an observer member of the MENAFATF.
- ✓ Expanding the work of the NRA Committee to include risks in general.

2021

- ✓ Approval for the Federal Republic of Russia to join as an observer member of the MENAFATF.
- ✓ Approval of the idea of creating an e-learning platform.
- ✓ Coming up with an action plan to enhance MENAFATF's effectiveness.

2024

- ✓ Endorsing the establishment of the Asset Recovery Inter-Agency Network (ARIN) in the Middle East and North Africa and signing the MENAFATF's E-Learning Agreement.