



**Ministry of Finance, National Planning
and Trade**
Liberty House, P.O Box 313/Victoria/ Mahé, Seychelles

Press Release

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Seychelles undertakes its second National Risk Assessment on money laundering and terrorism financing

A team from the World Bank Group is assisting the Seychelles authorities in undertaking its second National Risk Assessment (NRA) on money laundering and terrorism financing. The Working Group for the National Risk Assessment is led by the Ministry of Finance, National Planning and Trade and the Central Bank of Seychelles. The National Risk Assessment started on the 4th of July, 2022 and is expected to take 15 months to complete.

The assessment aims to review the primary money laundering and terrorism financing risks in the country through a comprehensive analysis. This will then help to amend the strategy and mitigating actions to address the vulnerabilities. It will assist in allocating resources for the fight against money laundering and terrorism financing more effectively and efficiently, while meeting international standards.

The risk assessment process itself is organized, led and undertaken by the government officials and private sector representatives using the World Bank Group's self-assessment tool. Seychelles is in essence developing its own resources to undertake the risk assessments with periodical expert assistance. The World Bank Group conducted a capacity building exercise to assist the authorities to use and understand the NRA. The assessment helps facilitate collaboration between different government agencies and the private sector responsible for anti-money laundering and counter terrorism financing efforts.

The results of the assessment are confidential but further details on general aspects of the NRA can be obtained upon request by email to National Anti-Money Laundering and Countering the Financing of Terrorism committee.

Any further enquiries on the work being undertaken in the Seychelles should be directed to NRA Coordinator.

Standard questions and answers on the National Risk Assessment

i. What is the National Risk Assessment for Money Laundering and Terrorist Financing?

The National Risk Assessment is an advisory package developed by the Financial Market Integrity Unit of the World Bank to assist countries in identifying and contending with their risks posed by money laundering and terrorism financing. It has been developed over the past ten years as a result of its work with numerous countries on anti-money laundering and combatting terrorist financing related issues.

The National Risk Assessment supports countries in conducting self-assessments through a systematic and organized process designed to address their specific challenges and needs. The World Bank offers the self-assessment tool, guidance, advisory services and help in undertaking assessments. The process involves the participation of the public and private sector and aims to build a durable mechanism to deal with on-going risks.

The self-assessment tool is developed based on recommended good practices and international standards, including those established by the Financial Action Task Force (FATF).

ii. How does it operate?

The risk assessment is organized, led and owned by the country, ensuring the development of the country's own capacity to undertake future risk assessments with none or minimal external support.

The World Bank Group provides a recommended process (which can be adapted according to country circumstances), the risk assessment tool, training on the tool, and guidance to contribute to the strength and reliability of the assessment.

Central to the NRA package is an Excel-based tool developed by the World Bank to identify the main money laundering and terrorism financing risks. It does this by examining the regulatory, institutional, and economic environment within the country. It looks at the **threats**, i.e. the scale and patterns of the suspected illicit

financial flows linked to crime and/or terrorism. The tool also examines the **vulnerabilities** i.e. the weaknesses or gaps in a country's defenses against money laundering/terrorist financing.

The World Bank's guidance and advice includes assistance for countries in establishing a Working Group made up of experienced country-based practitioners from government and, as appropriate, private sector, which deal with the assessment and its outcomes.

iii. Where has the World Bank's National risk assessment been carried out?

In the last decade, almost all countries have completed or at least initiated their national ML/TF risk assessments (NRAs), many of them with technical support from World Bank and IMF.

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