



GUYANA'S NATIONAL STRATEGY TO COMBAT PROLIFERATION FINANCING



**AML/CFT/PF National Coordination
Committee**

Table of Contents

INTRODUCTION.....	2
PF ANALYSIS	3
COORDINATED AND COMPREHENSIVE RISK IDENTIFICATION.....	6
STRONG LEGAL AND SANCTIONS FRAMEWORK.....	7
ROBUST REGULATORY REGIME AND RISK-TARGETED SUPERVISORY FRAMEWORK.....	8
DECISIVE LAW ENFORCEMENT ACTIONS.....	11
INTERNATIONAL PARTNERSHIPS AND COOPERATION.....	13
LOOKING AHEAD.....	14
CONCLUSION	15

INTRODUCTION

Guyana published its 2021 NRA which presented, inter alia an overview of Guyana's TF risk environment and identified the key PF threats and vulnerability areas to address as part of the work of our national Countering the Financing of Terrorism (CFT) system.

Subsequently, Guyana conducted and published an updated 2023 TF/PF Risk Assessment, which further examined matters relating to CTF and CPF in Guyana, of which two separate strategies are being issued for TF and PF.

Combatting Proliferating Financing will call on both the efforts of supervisory authorities, competent authorities and reporting entities in order to keep Guyana safe from proliferation financing.

This document was created and sent out in June 2023, and updated in August 2023 based on the new AML/CFT/CPF legislation passed by Guyana.

PF ANALYSIS

Whilst Guyana has not provided a risk rating for PF, it is recognised that the country must be vigilant to ensure that its authorities, particularly customs, and its reporting entities, are aware of the red flag indicators and incorporate the use of practical exercises to ensure that the country remains ready should such action be detected.

While we cannot discount the possibility of a terrorist attack in Guyana, considerations also have to be made with regard to cross border issues that also may affect Guyana. As a result, we remain on the look-out for potential financing of other existing or new terrorist groups regionally and globally, or any person or country who may be involved in proliferation of weapon of mass destruction and/or the financing of such.

With regard to reporting entities, it may appear that due to the cash-based nature of the economy, money remittance services and banks are inherently more vulnerable to PF threats, given the relative ease with which their services may be accessed.

Guyana also has precious metals, precious stones and precious minerals, and as a result, the dealers in such industries precious stones and metals dealers could also be susceptible with regard to the transfer of items and goods of value to enable PF.

Guyana is committed to combatting PF through our continuous efforts to monitor and identify emerging PF threats and vulnerabilities. We continue to develop and implement effective and risk-targeted regulatory, supervisory, and enforcement measures to tackle PF risks.

This National CPF strategy is an extension of existing overarching policy statements of our anti-money laundering/countering the financing of terrorism/countering proliferation financing (AML/CFT/CPF) regime.

As guided by the AML/CFT/PF National Coordination Committee (NCC), the National CPF strategy has taken into consideration the findings of the 2021 NRA and the 2023 Updated TF/PF Risk Assessment, and forms the blueprint that outlines Guyana's national approach to address our PF risks.

This CPF Strategy will pave the way for the development of a roadmap to translate our strategies into actions as well as serve to guide the development of future action plans, in this ever-evolving terrorism and PF operational landscape.

We have adopted a five-point strategy which comprehensively covers risk identification and management and mitigation measures. Where necessary, relevant law enforcement, policy and supervisory agencies are encouraged to adopt action plans that are complementary to the National CFT strategy.

Based on the foregoing Guidance, the foundational pillars to combat PF are as follows –

- 1. Coordinated and Comprehensive Risk Identification*
- 2. Strong Legal and Sanctions Frameworks*
- 3. Robust Regulatory Regime*
- 4. Decisive Enforcement Actions and*
- 5. International Partnerships and Cooperation.*

The AML/CFT/CPF stakeholders to be involved in implementing this Strategy include the following:

Government agencies represented:

- The AML/CFT/PF NCC
- The Attorney General's Chambers
- The DPP Chambers
- The FIU
- The Guyana Police Force
- CANU
- Department of Energy
- Guyana Revenue Authority

- Ministry of Natural Resources
- Ministry of Home Affairs
- Ministry of Finance
- Ministry of Governance and Parliamentary Affairs
- AML/CFT Supervisory Authorities (BoG, GSC, GA, GRA, GGB, GGMC, DC&FS)
- Deeds & Commercial Registries Authority
- Guyana Wildlife Conservation and Management Commission

Private sector agencies:

- Banks
- Insurance Companies & Insurance Brokers
- Money Transfer Agencies
- Cambios
- Credit Unions
- Guyana Association of Securities Companies & Intermediaries Inc.
- Securities Companies
- Mobile Money Guyana (MMG)
- Guyana Bar Association
- Institute of Chartered Accountants of Guyana
- Real Estate Agents' Associations
- University of Guyana

This ensures high-level policy direction and commitment to action across agencies, in collaboration with the private sector as gatekeepers. All Actions are ongoing and are expected

to be reviewed in Q4 2024, immediately prior to the commencement of Guyana's 3rd National Risk Assessment.

COORDINATED AND COMPREHENSIVE RISK IDENTIFICATION

To identify and assess our PF risks, Guyana maintains strong inter-agency coordination and has well established cooperation committees and networks. Agencies work together to review the PF landscape regularly, taking into account current typologies as well as international standards and requirements set by international bodies such as the Financial Action Task Force (FATF) and the United Nations (UN).

Strategy in Action: -

The NCC Subcommittee Working Group on Law Enforcement issues, will be in charge of overseeing the identification, assessment and mitigation of ML/TF/PF risks and threats. The Working Group comprises all relevant supervisory, regulatory, law enforcement and policy agencies that provide typologies and guidance on PF.

Guyana's understanding of our PF risks will also be enhanced by the involvement of the private sector and academia.

As the global terrorism and PF landscape continues to evolve, Guyana remains vigilant to existing and emerging threats and vulnerabilities through our comprehensive whole of government approach to monitor, identify and assess PF risks.

Relevant agencies that oversee different sectors and areas have established a holistic approach to developing AML/CFT/CPF strategies. The development of the strategies takes into account ground observations of ongoing trends, external perspectives from agencies' engagements with foreign counterparts and national strategic interests and considerations.

Guyana's participation in relevant international and regional platforms can further yield deeper insights into emerging global and regional typologies. This holistic approach allows us to continue to evaluate and assess our PF threats and vulnerabilities regularly, as well as prioritise these risk areas, so as to promptly address them in a coordinated fashion.

Given that this is still a developing area, there should be continued outreach and training including on PF criminalisation, obligations by reporting entities and the public, as well as to how to implement actions related to PF when there is a call by the FATF or CFATF, particularly in relation to states on a sanctions list related to PF.

Guyana on a whole, and through its competent authorities, must ensure that guidance is provided for all persons, particularly in the private sector, regarding CPF implementation.

STRONG LEGAL AND SANCTIONS FRAMEWORK

To support the global fight against terror, Guyana's overarching CPF policy objective is to ensure that terrorism nor proliferation of weapons of mass destruction is not financed from or through Guyana. This involves detecting, deterring, and preventing PF-related activities, including those related to the generation of funds, movement of funds and use of such funds to support proliferation purposes, whether in Guyana or overseas.

Strategy in Action: -

To achieve our CPF policy objectives, we have adopted the following frameworks:

A comprehensive legal framework is in place to enable law enforcement agencies (LEAs) to take swift and effective action against terrorists, terrorist organisations and their supporters, as well as financiers of proliferation.

Key legislation to combat PF include the Anti-Terrorism and Terrorist Activities Act 2015 (ATTA) and the AML/CFT Act 2009 (as amended).

These Acts are regularly reviewed to ensure that they remain relevant and effective. For example, the National Assembly approved legislative enhancements to the ATTA which included the formalization of the Special Branch Anti-Terrorism Unit and the high-level Anti-Terrorism Task Force. The AML/CFT Act was also amended to criminalise PF and related inchoate offences, as well as to make it a predicate offence for ML/TF.

This ensures that our laws provide for proportionate punishment and are sufficiently effective at deterring PF-related offences.

Legislation ie the AML/CFT Act, has also been updated to bolster the targeted financial sanctions framework, which automatically takes into account new UN designations, and is in line with the FATF standards, the United Nations Security Council Resolutions (UNSCRs). These are immediately communicated by the FIU to the supervisory authorities and reporting entities. Reporting entities are also required to monitor their frameworks on a continuing basis with regard to TFS.

This is supported by a clear policy framework to identify and designate not only terrorists, but persons involved or suspected to be involved in PF, with measures also in place to mitigate and freeze any actions with regard to states blacklisted by the FATF.

These frameworks guide agencies' actions in their domains to achieve the overall CPF policy objectives. Guyana ensures that the rules and guidelines within these frameworks remain relevant and effective against the ever-evolving threat of PF.

ROBUST REGULATORY REGIME AND RISK TARGETED SUPERVISORY FRAMEWORK

Guyana has implemented a robust AML/CFT/CPF regulatory framework as well as a strong risk focused supervisory framework for financial institutions (FIs), designated nonfinancial businesses and professions (DNFBPs) and NPOs to:

- (i) manage the ML/TF/PF risks arising from their activities,
- (ii) ensure that such risks are adequately mitigated, and
- (iii) monitor and supervise these entities for compliance with their AML/CFT/CPF requirements.

Supervisors adopt a risk-based approach, target their supervisory efforts at higher risk entities, and take timely steps, in cooperation with the NCC, the FIU and LEAs, to share PF risk information with the industry.

Supervisors have also established contacts and mechanisms to cooperate and exchange relevant supervisory information between themselves and the industry as necessary.

Strategy in Action: -

- i. More specifically, respective sector supervisors have and will continue to take a range of actions to mitigate the PF risks arising from their sectors' activities. This includes the following:
- ii. Effective and comprehensive sectoral AML/CFT/CPF requirements that are aligned with the FATF Standards and international best practices;
- iii. Conduct, in conjunction with the NCC, thematic reviews regarding the current mechanisms in place regarding CPF, also considering the effectiveness of national coordination efforts;
- iv. Take into account the detailed results of the Legal Persons and Arrangements, Virtual Assets and VASPs, NPO TF and Extractive Industries Risk Assessment with regard to PF and implement related recommendations.
- v. Enhanced surveillance and supervisory activities that are focused on higher PF risk areas/entities, including requiring remediation measures where weaknesses are found and taking proportionate and dissuasive supervisory actions where breaches are noted; and
- vi. Engaging the industry through targeted outreach and industry cooperation initiatives to raise PF awareness.

Supervisors also regularly review the AML/CFT/CPF laws and the supervisory approach taken for their respective sectors, to ensure that they remain relevant and effective. The outcomes and effectiveness of PF measures taken by supervisors are also monitored by the AML/CFT NCC.

Effective and comprehensive sectoral AML/CFT requirements aligned with the FATF standards and international best practices

FIs, DNFBPs and NPOs are subject to sectoral AML/CFT/CPF requirements and guidelines issued by supervisors on measures to mitigate ML/TF risks. These include the need to identify and verify the customers, beneficial owners and beneficiaries (where relevant), perform ongoing monitoring and regular customer due diligence (CDD), including enhanced due diligence measures for higher risk customers, conduct screening to promote compliance with CFT requirements, and file suspicious transaction report/s (STR) to the FIU promptly.

The sectoral AML/CFT/CPF requirements and guidelines are to be regularly reviewed to ensure that they remain relevant and effective in mitigating ML/TF/PF risks and are aligned with the FATF standards and international best practices.

Sector supervisors are also attuned to evolving risks and developments and have responded proactively to mitigate PF risks

Enhanced surveillance and supervisory activities targeting at-risk areas

Sector supervisors will take a risk-based approach in supervising and monitoring the sectors for compliance with AML/CFT requirements. Enhanced and targeted supervisory activities are also applied on sectors and entities that are inherently more exposed to PF abuse.

The NCC, through its Supervisory sub-committee, will examine the effectiveness of their CPF processes and controls, including the use of more advanced monitoring capabilities to detect and trace fund flows linked to proliferation activities.

Following the PF thematic review, the NCC will further update the guidance/guidelines on sound CPF practices that all reporting entities should review and adopt.

Where CPF control weaknesses are found, supervisors will take appropriate supervisory actions and follow-up with the regulated entities to ensure that remediation measures are taken in a timely manner. Supervisors will not hesitate to take firm actions against errant entities, including the imposition of a range of supervisory measures (e.g. warning or imposition of restrictive actions) and financial penalties, where control weaknesses or breaches of AML/CFT/CPF requirements are found.

In addition, sector supervisors, in partnership with the FIs and LEAs, perform monitoring and surveillance activities to proactively detect higher risk areas or entities.

These include the monitoring of public open-source information on international and regional terrorism and TF developments, and analysing data obtained from statutory returns submitted by the FIs/DNFBPs/NPOs, STRs and other available data sources (e.g., surveys and transaction data), as well as information from LEAs.

For example, the Guyana Compliance Commission has the mandate to, in conjunction with the Registrar of Friendly Societies, the Commercial Registrar and the Deeds Registrar, to conduct

periodic Sectoral Reviews, identifying charities and NPOs which fall under the FATF Recommendation 8 criteria.

These legal persons and arrangements were reviewed to ensure that the appropriate AML/CFT/CPF procedures were in place. Higher risk charities that conduct overseas activities will be guided to progressively taking steps to put in place formal AML/CFT/CPF policies and procedures and furnish such documents for the Compliance Commission's review.

Targeted PF outreach and industry cooperation initiatives

Supervisors conduct outreach, in collaboration with relevant authorities, to keep their sectors abreast of changes to key PF risks and threats to Guyana. Targeted engagement sessions are also held for the higher risk sectors.

In addition, the FIU, the NCC and supervisory authorities provide red-flag indicators to FIs, DNFBPs and NPOs to help them identify ML/TF/PF risks and report suspicious transactions.

These authorities will further conduct industry outreach to share case studies to enable entities to better detect and report suspicious transactions.

DECISIVE LAW ENFORCEMENT ACTIONS

Guyana takes a serious view of anyone who supports, promotes, and/or makes preparations to undertake or undertakes armed violence, regardless of how they rationalise such violence or where the violence takes place. A zero-tolerance stance is taken against any PF activity. Our LEAs will not hesitate to take, and have taken, swift and effective actions against terrorists, terrorist entities and their supporters, including financiers of proliferation of weapons of mass destruction.

Strategy in Action: -

All credible instances of PF will be investigated and pursued as a distinct criminal activity. This includes, as necessary, commencing (i) independent investigations into PF allegations in

the first instance, and (ii) parallel financial investigations to support counter terrorism investigations and/or identify further financial networks and commonalities, if any.

Guyana has an effective operational framework to investigate and prosecute PF cases. The Special Organised Crime Unit as designated by section 108A of the AML/CFT Act is the lead unit responsible for investigating PF in Guyana and works closely with security and other relevant agencies to take decisive enforcement actions.

With regard to PF investigations, SOCU will ensure that clear procedures and roles are established among the relevant domestic authorities.

The Special Branch Anti-Terrorism Unit as established under section 54 A of the Anti-Terrorism and Terrorist Activities Act, is Guyana's domestic security and intelligence agency, and will collect and analyse intelligence in relation to all terrorism-related activities, including PF.

By exchanging information with its foreign counterparts and through its own investigations, the Special Branch will contribute to the national effort by working closely with SOCU and other relevant agencies to share information and intelligence on PF matters. There are established work processes and communication channels to share information with domestic agencies, such as the Interagency MOU and the Interagency MOU on law enforcement.

Financial intelligence is integral to the detection and investigation of criminal activities, including PF. The FIU is responsible for receiving and analysing STRs. To improve the quality of PF-related STRs filed by reporting entities, the FIU conducts ongoing engagements with industry partners, including at-risk sectors; and publishes relevant and targeted guidance and red-flag indicators on terrorism/PF.

Such ongoing engagements have led to a better general understanding of TF typologies and risk indicators, among the relevant stakeholders.

SOCU will work closely with the Special Branch and the FIU to ensure that all credible instances of PF, including those arising from financial intelligence are thoroughly investigated in Guyana. The security and enforcement agencies exchange intelligence and information and collaborate on investigations; whilst the FIU disseminates financial intelligence relating to terrorism/PF to the respective competent authorities to support their operational needs.

SOCU also works closely with the Office of the Director of Public Prosecutions (DPP) and the Attorney-General's Chambers (AGC) to ensure that investigative efforts translate to successful prosecutions, confiscations and asset forfeitures.

Agencies are encouraged to leverage public-private partnerships to enhance operational efficiency and establish relevant networks.

These partnerships will provide a platform for key stakeholders to share PF-related trends and in so doing, strengthens the understanding of terrorism/PF risks within the different sectors. It is a key operational platform for investigative collaborations in priority PF cases round the clock.

We recognise the importance of continuing such collaboration and will continue to prioritise strengthening the cooperation amongst domestic competent authorities as well as stakeholders in the private sector. These interagency efforts as well as public-private partnerships are continuously reviewed to ensure that we remain capable of addressing emerging PF threats.

INTERNATIONAL PARTNERSHIPS AND COOPERATION

Domestic authorities will also utilise a range of international cooperation mechanisms to achieve its law enforcement objectives for PF matters. These include bilateral and multi-lateral partnerships as well as leveraging structured international and regional platforms such as INTERPOL, CARICOM IMPACS, the Egmont Group, ARIN-CARIB and the Regional Security System, to share intelligence, exchange information and conduct joint operations, where appropriate.

Strategy in Action: -

Guyana's efforts in international cooperation for criminal matters can be broadly considered from two dimensions. First, providing assistance to other jurisdictions through formal and informal channels spontaneously and on request; and seeking assistance from other jurisdictions.

Second, rigorously implementing and contributing to the development of the international standards on combatting ML/TF/PF set by the FATF and relevant UNSCRs. This is done by participating in the relevant international and regional platforms.

Guyana provides and seeks assistance to and from other jurisdictions respectively relating to criminal matters through both formal and informal channels. Such assistance will include formal requests for mutual legal assistance (MLA), the exchange of information between local and foreign LEAs, as well as the spontaneous exchange of financial intelligence by the FIU with foreign FIUs.

Specific to terrorism and in addition to the Terrorist Financing Convention, Guyana is also a party to the International Convention for the Suppression of Terrorist Bombings and the International Convention for the Suppression of Acts of Nuclear Terrorism. As required under all three treaties, Guyana is able to provide all parties to the conventions with the greatest measure of assistance in connection with criminal proceedings in respect of offences set out under each treaty.

Guyana attends meetings organized by the OAS; the National Centre for State Courts; the UNODC; the UN; the IMF; the World Bank and the CFATF. Guyana is also a member of CARICOM, which is supported by the CARICOM IMPACS, the RSS and ARIN-CARB.

Such fora allow Guyana to learn from our regional and the international CPF community and contribute to the development of international standards in CPF.

LOOKING AHEAD

Increased efforts in providing and seeking assistance in criminal matters

Guyana endeavours to ensure that requests for assistance from other jurisdictions relating to criminal matters are duly considered and executed, where possible, and in a timely fashion. To complement assistance through formal channels, Guyana will continue to exchange information with their foreign counterparts via informal channels and build close relationships with them.

Guyana will also continue to leverage informal channels of cooperation to proactively tackle TF flows. This includes proactive information sharing and, where appropriate, coordinated enforcement action with our international counterparts.

Continued participation in international and regional platforms

Given the transnational nature of PF, it is important to maintain a robust understanding of PF risks, at both the international and regional levels. Guyana will continue to actively participate in international and regional platforms to maintain and enhance international cooperation.

Guyana also seeks to tap on the expertise and experiences of other jurisdictions, such as US, UK, France, Brazil and any other countries that can assist to improve our CPF efforts and build closer relationships between jurisdictions to further strengthen global CPF capabilities.

CONCLUSION

Guyana maintains a watchful eye on events around the world. It is evident that the global threat of terrorism, violent extremism, proliferation of weapons of mass destruction and its financing remains a real and present danger, globally and domestically.

In recent years, while the global terrorism landscape has evolved to one that features more self-radicalised individuals who may be self-funded and thereby only leave little or no traces in the financial system, it remains true that terrorists and terrorist organisations need money to operate.

Common sources of funding would include donations from supporters (including involving the misuse of NPOs) and proceeds generated from criminal activities. To disrupt their dangerous operations, we need to disrupt and prevent funds (including virtual assets as seen from more recent typologies) from reaching the hands of terrorists and terrorist entities.

For this reason, Guyana will not let up in our efforts to counter the financing of terrorism. This five-point CPF strategy guides us in our continuous efforts to detect, deter and prevent PF, and is complementary to Guyana's counter terrorism strategy.

We first ensure that we have a continued good understanding of our PF threats and vulnerabilities; then we formulate the necessary frameworks to ensure that we have an up-to-date and comprehensive structure that will support our policy objectives.

This is coupled with the implementation of robust AML/CFT/CPF regulatory and supervisory regimes for FIs/DNFBPs/NPOs to ensure that the relevant sectors are not abused for PF purposes.

Thereafter, we rely on an efficient and effective law enforcement infrastructure that will take swift and resolute actions against terrorists, terrorist entities and their supporters including PF.

Finally, Guyana has established strong working relationships with international counterparts to facilitate cooperation in CPF, and ensure we are updated on PF typologies. Guyana is strongly committed to taking firm and resolute action against PF to keep our country, region and the world safe.