

The Financial Sector Deepening Africa (FSDA) and Financial Sector Deepening Zambia (FSDZ) Zambia in conjunction with National Task Force of Senior Officials on Anti-Money Laundering / Countering the Financing of Terrorism (AML / CFT) has organised this workshop aimed at addressing a wide range of aspects of the Risk Based Approach (RBA) to Anti-Money Laundering / Countering the Financing of Terrorism (AML / CFT).

The revised 2012 Financial Action Task Force (FATF) recommendations make the RBA to AML/CFT central in implementing the FATF requirements. FATF recommendation 1 requires countries to identify, assess, and understand the ML and TF risks for the country following which they should take action, to coordinate actions to assess risks, and apply

resources, aimed at ensuring that the identified risks are mitigated effectively.

In this regard, Countries are expected to build AML / CFT regimes which specifically address their identified higher Money Laundering (ML) and Terrorist Financing (TF) risks. These risks are expected to be communicated to all stakeholders and be regularly updated.

Furthermore, countries are required to take into account the importance of financial inclusion in the regulation of AML/CFT or assess how financial exclusion impacts on the effectiveness of a countries implementation of the FATF recommendations.

It would not make sense for all of us to invest our efforts and resources in different areas according to how we understand the prevailing AML/CFT risk. No, it is time we worked as a team and directed our efforts and resources in the same direction which we would have identified as a more risky area. This exercise will enable all of us to speak the same language when it comes to AML/CFT risks and will in

the long run enable us achieve the better good of our country in combating ML and TF.

If regulation of AML/CFT is to have the desired results, the Financial Sector must ensure that there is access to appropriate financial products and services at an affordable cost in a fair and transparent manner to disadvantaged and other vulnerable groups, including low income, rural and undocumented persons, who have been excluded from the formal financial sector.

It is therefore necessary to determine the percentage of the population that have access to formal financial services and develop the right policies and legal framework that promotes the inclusion of those that are excluded.

The above issues will be at the core of our National Risk Assessment (NRA) that is projected for the year 2016. This workshop therefore has come at an opportune time as it is aimed at providing us with an overview of the process of RBA to AML/CFT matters and NRA. It should stimulate you and me to think of how to begin preparing for the NRA and not only the

resources and information required for it to be a success but the sources of that information.

THAT SAID;

I wish us you all fruitful deliberations.

Thank you.