



Location

The Democratic Republic of Congo

The Democratic Republic of Congo (DRC) is ostensibly a presidential democratic republic, although the weakness of the state and the government’s lack of respect for legal niceties mean this description is questionable. The DRC is also the world’s largest failed state and has been the site of some of the bloodiest wars in recent years. Continuing conflict in the DRC’s east presents a major political challenge to a government already beset by weak tax revenues and lack of coherence. The challenge of building a state in the DRC is enormous.

The DRC’s anti money laundering and countering the financing of terrorism (AML/CFT) controls are covered by three main pieces of legislation. These include the Anti-Money Laundering Act 2004, enacted in response to international pressure and in an effort to make the DRC a more attractive destination for foreign investment. The Act criminalised money laundering and the financing of terrorism.

Much of the legislation has lain dormant since it was passed and supervision has been extremely poor. A cash-based economy, poverty, inadequate training and a lack of political will have all contributed to this. A Financial Intelligence Unit to combat money laundering and misappropriation of public funds was established in October 2009. Its effectiveness is yet to be ascertained, although given DRC’s track record expectations are not high.

Porous borders, a poorly regulated banking sector, a dysfunctional judicial system, and inadequate enforcement make the country extremely susceptible to money laundering. There are numerous opportunities for economic gain through the illicit trade of DRC’s vast mineral resources. Years of fighting has exacerbated the cross-border trade in arms, drugs, diamonds and other illicit goods. Corruption at all levels of society is extensive and is accepted business practice.

Macro Basics		Regulatory Framework			Financial Environment	
GDP (US\$m)	11,668	BIS	No	Financial Sector assets US\$ bn	1.3	
Population (m)	64.2	IAIS	No	...as % of GDP	11	
GDP/Capita (US\$)	182	FATF/FSRB	No	Number of Banks	11	
Currency	CDF	FATF 40+9 FC	NA	..per 1,000 people	0.0002	
Literacy Rate %	67	FATF 40+9 PC	NA	Rate of Corporation Tax (%)	40	
Public Sector/GDP %	18	FATF 40+9 NC	NA	Avg govt salary (US\$)	14,894	

Money Laundering Indicators		Low	Med	High
Laundering Convictions	NA			
Informal Economy as % of GDP	NA			
Free trade zones	NA			
Estimated value of illegal drugs trade US\$m	NA			
Corruption Rating (Astra)	9			
Organised Crime Rating (Astra)	8			
Violent Crime Rating (Astra)	6			
Ships reg per 1000 pop	0.0003			
Registered Companies per 1000 pop	NA			
Per Gram of Cocaine (US\$)	NA			



Flag



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Preventing Conflict Diamonds

Overview



Tamper-resistant containers for the import and export of rough diamonds

- De Beers only sells diamonds from its own mines so guarantees that its diamonds are 100% conflict free, accounting for around 35 - 40% of the world's supply of rough diamonds.
- Furthermore, the Kimberley Process ensures that more than 99% of the global production of rough diamonds is certified to be from conflict free sources.
- We support calls by the [World Diamond Council](#) and civil society for participating Governments to ensure that the Kimberley Process is properly supported and rigorously enforced.
- We recognise that meeting the goal of ensuring that all diamonds are legitimately sourced requires a concerted effort by the governments of diamond producing countries, the diamond industry and civil society.
- We are actively engaged in industry initiatives, such as the [Responsible Jewellery Council](#) certification programme, that are aimed at providing consumers with assurances that the diamonds they purchase are legitimately sourced and managed throughout the supply chain.
- De Beers also maintains its own third party verification programme, which ensures that all of De Beers operations, its Sightholders and their contractors, adhere to the [Best Practice Principles](#).

- De Beers has recently launched [Forevermark](#), an innovative diamond brand. Each Forevermark diamond comes with a promise to the consumer of exceptional quality and integrity.

Diamonds from Marange region, Zimbabwe

The Kimberley Process (KP) is currently working with the Zimbabwean authorities to implement the 'Joint Working Plan' agreed with the Government at the last KP Plenary in November 2009, which seeks to bring Zimbabwe into compliance with KP minimum requirements. The Plan has the support of De Beers and the World Diamond Council, and includes the deployment of a KP-appointed Monitor to scrutinise and approve exports from the region.

In June 2010, an agreement was reached between the various parties in the Kimberley Process, including civil society, to allow the Zimbabwe authorities to export very limited and supervised exports of diamonds whilst a Review Mission Team assesses what progress the Government has made in complying with the demands of the Joint Working Plan.

Although the diamond industry welcomes these developments, it awaits the forthcoming report from the Review Mission Team with great interest and has made it clear that there remains a great deal of work to do before conditions across the Marange region are considered compliant and acceptable.

In the meantime, De Beers continues to advise its clients to exercise extreme caution when buying goods they suspect might come from the Marange region.

Conflict Diamonds

The United Nations (UN) defines conflict diamonds as “diamonds that originate from areas controlled by forces or factions opposed to legitimate and internationally recognised governments, and are used to fund military action in opposition to those governments, or in contravention of the decisions of the Security Council.”

Conflict diamonds were used by rebel movements, mainly during the 1990s, as a source of funding for wars against legitimate governments in countries such as Angola, Côte d'Ivoire, the Democratic Republic of Congo (DRC) and Sierra Leone.

The Family of Companies works in full compliance with the letter and spirit of all UN resolutions. De Beers guarantees that 100% of the diamonds we sell are conflict free and are purchased in full compliance with national law, the Kimberley Process and our Best Practice Principles (BPPs).

De Beers has played a leadership role in seeking to eliminate conflict diamonds from global diamond flows. We have also actively worked with members to ensure the Kimberley Process is continuously strengthened and that weaknesses identified are rectified through constructive engagement and the lending of our expertise where it is helpful.



Kimberley Process Certificate

The Kimberley Process Certification Scheme

The Kimberley Process was established by the UN, governments, Non-Governmental Organisations (NGOs) and the diamond industry to prevent conflict diamonds from entering the legitimate diamond supply chain. Today, about 99.8% of world diamond production is from countries that participate in the Kimberley Process Certification Scheme (KPCS).

[Read more about De Beers and the Kimberley Process>](#)

Requirements for participants

The KPCS is a joint government, diamond industry and NGO initiative that imposes requirements on participants to certify that international shipments are free from conflict diamonds. The KPCS came into effect on 1 January 2003 and requires all participating governments to enact laws and regulations to this effect.

Today, diamonds are one of the most monitored and audited of any natural resource in the world. Under the KPCS, all international rough diamond shipments must be traded in tamper-proof boxes and accompanied by a forgery proof certificate that states they are conflict free.

The certificate is issued by the exporting country governments. Certification is backed by a system of internal controls in the producing countries, as well as those countries that trade, cut and polish rough diamonds.

The System of Warranties

The international diamond industry also developed a system of warranties to support implementation of the Kimberley Process. The Kimberley Process is restricted to the trading of rough diamonds between countries.

The System of Warranties is a business to business scheme that applies to both rough and polished diamonds. It requires companies to implement a system that ensures all invoices for the sale of diamonds, and jewellery containing diamonds, include a written guarantee that the diamonds are conflict free. Records of all warranty invoices given and received must be kept and externally audited on an annual basis.

The Family of Companies was instrumental in developing the system of warranties through its work with the World Diamond Council. The Kimberley Process and the system of warranties are also embodied in the BPPs and our Principles.



Rough Diamonds from our Venetia Mine in South Africa

Recovering from conflict

Evidence demonstrates that diamonds have provided significant economic and social benefits where De Beers operates. We recognise the same has not always been true for some countries home to small-scale informal diamond mining. These countries include Angola, Central African Republic, the DRC, Côte d'Ivoire, Sierra Leone, Liberia, Ghana and Tanzania.

De Beers has exploration operations in Angola and in the DRC. We are taking every precaution to ensure our activities in these countries contribute positively to political stability and development. All operations also comply with our Environment, Community, Health and Safety (ECOHS) Guidelines for Exploration. They are also subject to the BPP Assurance Programme.

The BPPs include criteria relating to the KPCS, anti-money laundering and counter-terrorism financing as well as human rights. We contribute to economic stability through our social investment initiatives in partnership with local stakeholders and NGOs.

In 2000, De Beers established a Diamond Task Force (DTF) to provide technical services to those countries rebuilding their post conflict diamond industries. The DTF facilitates technology transfer and professional cooperation in partnership with stakeholders such as governments, international organisations, NGOs and local communities.

[More about the Best Practice Principles>](#)

[More about Conflict Diamonds >](#)

[Case Study - Liberia >](#)

In southern Africa, diamonds are an engine for growth, employment and prosperity. The World Diamond Council believes that, in addition to combating the scourge of conflict diamonds, the Kimberley Process has helped to safeguard these benefits that are shared and enjoyed by thousands of people in communities across the region

Eli Izhakoff, Chairman of the World Diamond Council

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Crime: Money-laundering

Question

Asked by Lord Wakeham

To ask Her Majesty's Government whether they plan to (a) review the administration of money laundering regulations, and (b) simplify the regulations so far as they affect law-abiding citizens. [HL1043]

The Financial Services Secretary to the Treasury (Lord Myners): The UK's Money Laundering Regulations 2007 transposed the requirements of the EU's third money-laundering directive into domestic law.

To help interpret the requirements of the regulations within the UK's specific context and to avoid prescriptive application, HM Government employ a risk-based approach to implementation. This enables businesses to apply simplified customer checks in many situations, to have discretion over how they verify customers' identities, and to rely upon customer checks already

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carried out by other regulated businesses. The Treasury and the various money-laundering supervisory bodies, such as the FSA or Institute of Chartered Accountants, routinely advise regulated business on the need to apply the regulations in a risk-based way, which enables resources to be targeted at the greatest threats, and the minimum burden to be placed on law-abiding citizens.

In the Treasury's consultation on the regulations, it committed to reviewing their implementation after a period of two years. It is intended that this review will coincide with a review of the underlying third money-laundering directive by the European Commission.

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Foreign relations of the Democratic Republic of the Congo

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[Democratic Republic of the Congo](#)



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Its location in the center of Africa has made the [Democratic Republic of the Congo](#) (at one time known as Zaire) a key player in the region since independence. Because of its size, [mineral](#) wealth, and strategic location, [Zaire](#) was able to capitalize on [Cold War](#) tensions to garner support from the West. In the early 1990s, however, with the end of the Cold War and in the face of growing evidence of [human rights](#) abuses, Western support waned as pressure for internal reform increased.

The Democratic Republic of the Congo is in the grip of a civil war that has drawn in military forces from neighboring states, with [Ugandan](#), [Burundian](#), and [Rwandan](#) forces helping the rebel movement which occupies much of the eastern portion of the state.

One problem is the continuing theft of mineral resources, such as [coltan](#), by occupying forces. One estimate has the Rwandan army making \$250 million in 18 months from the sale of coltan, even though Rwanda has no coltan deposits. Not only can the DRC not make any money from its mineral wealth, due to its inability to tax anything in rebel-held areas, but the wealth is also used itself to finance insurgent activities.

Troops from [Zimbabwe](#), [Angola](#), [Namibia](#), [Chad](#), and [Sudan](#) support the Kinshasa regime.

Furthermore, relations with surrounding countries have often been driven by security concerns. Intricate and interlocking alliances have often characterized regional relations. Conflicts in [Sudan](#), [Uganda](#), [Angola](#), [Rwanda](#), and [Burundi](#) have at various times created bilateral and regional tensions. The current crisis in DRC has its roots both in the use of The Congo as a base by various insurgency groups attacking neighboring countries and in the absence of a broad-based political system in the Congo.

The Democratic Republic of the Congo is also a member of the [International Criminal Court](#) with a Bilateral Immunity Agreement of protection for the [U.S.](#)-military (as covered under [Article 98](#)).

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2010/04/22

Scoping Mission to the Democratic Republic of Congo (February 2010)



In October 2009, the Ministry of Justice in the Democratic Republic of Congo (DRC), through the Swiss Embassy in Kinshasa, requested the assistance of the International Centre for Asset Recovery (ICAR) in reinforcing the capacity of the country's justice sector to fight corruption. This resulted in a delegation of ICAR experts visiting the DRC from 23 to 27 February for the purpose of conducting a scoping mission to determine training needs.

The scoping mission took place as part of the Congolese authorities' new strategy to combat corruption and money laundering in the country in keeping with a stated policy of zero tolerance. Various meetings with key law enforcement agencies involved in the fight against corruption and money laundering, including the Prosecutor

General, Executive Secretary of CENAREF (FIU) and the General Inspector of the National Police, and other relevant stakeholders were held to learn about the DCR criminal justice system.

The key objective of any training program would be to enhance the capacity of DRC law enforcement agencies in their prosecution of international bribery and money laundering cases. Most importantly, the training aims to assist the particular agency in the DRC tasked with international co-operation in criminal matters in enhancing its staff's ability to handle mutual legal assistance (MLA) requests and co-operation with foreign jurisdictions to repatriate stolen assets.

[<- Back to: International Centre for Asset Recovery](#)

FOR MORE INFO VIST: <http://www.baselgovernance.org/icar/>

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OFFICE OF THE COORDINATOR FOR COUNTERTERRORISM

[Country Reports on Terrorism 2008](#)

April 30, 2009

"The threat of terrorism - the senseless destruction of innocent lives and property, often times including oneself, beats every imagination. The world must unite to fight this scourge. No nation or person is protected against it. Those who feel so angry to carry out these dastardly acts defeat their own purposes because they end up killing those who may be ready to let the world hear their cases. They actually end up losing everything."

--Ellen Johnson Sirleaf, President of the Republic of Liberia
Statement to the 63rd Session of the UN General Assembly
September 23, 2008, New York City

A limited number of al-Qa'ida (AQ) operatives in East Africa and more numerous al-Shabaab militants in Somalia continued to pose the most serious threat to American and allied interests in the region. Somalia remained a permissive operating environment and emerged as a safe haven for both Somali and foreign terrorists. Its unsecured borders and continued political instability provided opportunities for terrorist transit and/or organization. Al-Shabaab and Islamic extremists in Somalia continue to disrupt peacemaking efforts, and desire to establish a harsh, abusive rule of law. A limited number of East Africa al-Qa'ida operatives in Somalia will continue to represent a long term threat to the international community. This threat has demonstrably increased; on October 29th, terrorists carried out five near-simultaneous suicide car bomb attacks against the United Nations Development Program and local government buildings across Puntland and Somaliland, killing at

least 21. Al-Shabaab, which the United States designated as a terrorist group on March 19, 2008, has seized control of key parts of South and Central Somalia, including the port city of Kismayo and its environs.

In the North and West of the Continent, al-Qa'ida in the Islamic Maghreb (AQIM) expanded the scope of its terrorist operations in the Sahel, conducting terrorist operations in Mauritania and Mali. On February 1, the Israeli Embassy in Nouackchott, Mauritania and a nearby nightclub were attacked, which resulted in the wounding of one French civilian. In February, AQIM took two Austrian civilians hostage and released them eight months later after a ransom was paid. In September, AQIM murdered and beheaded eleven Mauritanian soldiers. According to Associated Press reports, AQIM kidnapped two Canadian UN diplomats on December 14, 2008 in Niger and held them hostage in Mali.

Many African governments improved their cooperation and strengthened their counterterrorism efforts. Both the African Union (AU) and African regional organizations continued initiatives to improve counterterrorism cooperation and information sharing. The Southern Africa Development Community (SADC) has publicly condemned all forms of terrorist activities and has expressed its readiness to work with the international community in the fight against terrorism. Despite its intentions, however, SADC's current capabilities and its efforts to date in fighting terrorism are limited.

The Financial Action Task Force (FATF), as the international standard-setting body to address threats of money laundering, terrorist financing and other related crimes, established a network by which countries around the world can be included. These FATF-Style Regional Bodies (FSRBs) have the potential to serve both as a disciplinarian and as a resource. In sub-Saharan Africa, there are two such bodies recognized by the FATF: the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) and the Intergovernmental Action Group against Money Laundering and the Financing of Terrorist (GIABA). Like FATF and the other FSRBs, they conduct mutual evaluations, conduct typologies exercises, work on various issues with framework and implementation, and provide training for their members. Despite the existence and activities of these groups, Africa remains the single region in the world without FSRB coverage over wide swaths of its countries.

The Trans-Sahara Counterterrorism Partnership (TSCTP)

The Trans-Sahara Counterterrorism Partnership (TSCTP) is a multi-faceted, multi-year strategy to combat violent extremism and defeat terrorist organizations by strengthening individual country and regional counterterrorism capabilities, enhancing and institutionalizing cooperation among the region's security and intelligence organizations, promoting democratic governance, and discrediting terrorist ideology. The overall goals are to enhance the indigenous capacities of governments in the pan-Sahel (Burkina Faso, Mauritania, Mali, Chad, and Niger, as well as Nigeria, and Senegal) to confront the challenge posed by terrorist organizations in the trans-Sahara, and to facilitate cooperation between those countries and U.S. Maghreb partners (Morocco, Algeria, and Tunisia).

TSCTP was developed as a follow-on to the Pan-Sahel Initiative, which focused solely on the Sahel. Ongoing concern that extremists continued to seek to create safe havens and support networks in the Maghreb and Sahel, as well as recognition that AQ and others were seeking to impose radical ideologies on traditionally moderate Muslim populations in the region, highlighted the urgency of creating an integrated approach to addressing current threats and preventing conditions that could foster persistent threats in the future.

TSCTP's main elements include:

- Continued specialized Antiterrorism Assistance Training (ATA), Terrorist Interdiction Program (TIP), and Counterterrorist Finance (CTF) activities in the trans-Saharan region and possible regional expansion of those programs;
- Public diplomacy/countering violent extremism programs that expand outreach efforts in the trans-Saharan region and seek to develop regional programming embracing the vast and diverse region. Emphasis is on preserving the traditional tolerance and moderation displayed in most African Muslim communities and countering the development of extremism, particularly in youth and rural populations;
- Democratic governance programs that strive, in particular, to provide adequate levels of USG support to build democratic institutions and address economic and social factors contributing to radicalism in the Maghreb and the Sahel, strengthening those states to withstand internal threats; and,
- Military programs intended to expand military-to-military cooperation, ensure adequate resources are available to train, advise, and assist regional forces, and establish institutions promoting better regional cooperation, communication, and intelligence sharing.

The African Union

The African Union (AU) has several counterterrorism legal instruments including a Convention on the Prevention and Combating of Terrorism (1999), a 2002 Protocol to the Convention, and a 2004 Plan of Action. The Addis Ababa-based AU Commission provided guidance to its 53-member states and coordinated limited technical assistance to cover member states' counterterrorism capability gaps.

The AU worked with member states to eliminate redundancies between the Algiers-based African Center for Study and Research in Terrorism (ACSRT)¹ and the Committee on Intelligence and Security Services in Africa (CISSA), which was first established at the AU Summit in Abuja, Nigeria, in January 2005.

The Department of State and the Department of Defense's Africa Center for Strategic Studies (ACSS) have collaborated with the AU to run counterterrorism workshops. In December, ACSRT and ACSS jointly hosted an African Capacity Building Counterterrorism Workshop that focused on combating terrorist financing in North and West Africa. The workshop brought together approximately 50 African civilian and military officials from North and West African countries that are engaged in the Trans-Saharan Counterterrorism Partnership. ACSRT also held sub-regional counterterrorism seminars in Algeria in April, and in Congo in May, that examined the nature of terrorism threats in those regions, the capacity of countries in those

regions to counter terrorism, and their needs for technical assistance to strengthen that capacity.

In 2005, with Danish funding, the AU hired a consultant to draft a counterterrorism Model Law to serve as a template to assist member states in drafting language to implement counterterrorism commitments. In December 2006, an AU-sponsored group of experts drafted counterterrorism language, which was in the process of being legislated. The group of experts decided to retain options for both broad and specific laws and determined that new legislation was needed to combat money laundering and other financial crimes. In August 2008, the AU Peace and Security Council requested that the AU Commission expedite the development of the African Counterterrorism Law.

Some AU member states maintained that Africa's colonial legacy made it difficult to accept a definition of terrorism that excluded an exception for "freedom fighters." Nonetheless, the AU is on record strongly condemning acts of terrorism. In August, the Peace and Security Council issued a statement condemning "unreservedly acts of terrorism, wherever they occur."

Although the AU Commission had the strong political will to act as an effective counterterrorism partner, AU staffing remained below requisite levels; consequently, capacity remained relatively weak. The AU created a counterterrorism unit at its Addis Ababa headquarters to coordinate and promote member state counterterrorism efforts more effectively. The AU welcomed technical and financial assistance from international partners and donors to bolster both AU headquarters and ACSRT activities approved by member states.

Angola

Angola's borders remained porous and vulnerable to movements of small arms, diamonds, and other possible sources of terrorist financing. Angola's high rate of dollar cash flow made its financial system an attractive site for money laundering, and the government's capacity to detect financial crimes remained limited. The government's limited law enforcement resources were directed towards border control and stemming the flow of illegal immigrants into the country, which increased exponentially since the 2002 peace treaty ending Angola's protracted civil war. Corruption, lack of infrastructure, and insufficient capacity continued to hinder Angola's border control and law enforcement capabilities. Angola recently reached out to engage the USG to support improving its maritime and airspace security.

Botswana

Terrorists could use Botswana as a transit point due to its porous borders, as evidenced by a 2006 report of organized smuggling of immigrants from Bangladesh and Pakistan, the large number of illegal Zimbabwean immigrants living in Botswana, and a 2007 report that suspected Islamic militant Haroon Rashid Aswad resided in Botswana in 2005 prior to his arrest in Zambia.

Botswana is a member of the Southern Africa Development Community (SADC), whose Organ on Politics, Defense, and Security is responsible for its

counterterrorism efforts. The Government of Botswana established a National Counterterrorism Committee to address issues pertaining to terrorism and weapons of mass destruction. In April, newly-inaugurated President Ian Khama established Botswana's first intelligence agency, which is responsible for both domestic and foreign intelligence gathering. The Botswana Defense Force designated a squadron as its counterterrorist unit and sent several officers to IMET-sponsored counterterrorism training.

Terrorist financing is not criminalized as a specific offense in Botswana. However, acts of terrorism and related offenses, such as aiding and abetting, can be prosecuted under the Penal Code and under the Arms and Ammunitions Act. The Bank of Botswana circulates to financial institutions the names of suspected terrorists and terrorist organizations listed on the UN 1267 Sanctions Committee's consolidated list, the list of Specially Designated Global Terrorists designated by the United States pursuant to E.O. 13224, and the EU list. This circulation, however, is done on more of a voluntary, informational basis than a legal one because, as a World Bank assessment of the Botswana government's anti-money laundering and countering terrorism financing legislation noted, Botswana does not have a legal framework to implement UNSCR 1267 and 1373. There is no legal basis to freeze assets based on UNSCR 1267 lists. There is neither a legal framework to freeze assets based on a domestic or foreign designation of terrorists or terrorist organizations in the framework of UNSCR 1373. Although there is no Financial Intelligence Unit (FIU), the Directorate on Corruption and Economic Crimes has a dedicated unit investigating suspicious transactions.

Burkina Faso

Burkina Faso continued to lack the resources necessary to protect its borders adequately and to monitor the movement of potential terrorists. There was no formal method for tracking the movement into and out of the country at border checkpoints, or at either of the country's two commercial airports. Burkina Faso has the potential of becoming a terrorist safe haven because of its close proximity to several countries in which terrorist groups currently operate and because its borders are porous, especially in the sparsely populated north.

Despite its lack of resources, Burkina Faso cooperated with the United States in its efforts to combat terrorism, where possible, and participated in training, seminars, and exercises, such as the regional Flintlock exercise held in Spain and Mali, and familiarization events offered by U.S. Africa Command (AFRICOM) and Special Operations Command Europe (SOCEUR). In September, SOCEUR initiated three projects in Burkina Faso to increase mutual understanding, improve tolerance, and combat extremist ideology by supporting non-violent conflict resolution and shared values.

The Government of Burkina Faso participated in regional efforts at combating terrorism with the Economic Community of West African States (ECOWAS), the African Union, and other international organizations.

Burundi

Burundi's counterterrorism efforts were hindered by domestic ethnic tension, the unsteadiness of a transitional period after more than a decade of civil war, a lack of mature governmental institutions, considerable corruption, and porous borders that enabled various rebel groups in Tanzania and Eastern Congo to freely enter Burundi. The government of Burundi has supplied troops to AU operations in Somalia; these deployed Burundian troops faced continued attack from al-Shabaab. Burundi's lack of capacity to regulate its financial system and investigate financial crime made it a likely location for money laundering or other terrorist financing. Burundian officials are nonetheless responsive to all offers of aid, assistance, and training.

Comoros

International terrorism concerns in Comoros focused on Comorian national Fazul Abdullah Mohammed (a.k.a. Harun Fazul), who is suspected of involvement in the 1998 bombings of the U.S. Embassies in Nairobi and Dar es Salaam. He was believed to have maintained contacts in the Comoros. The Comorian government's security forces had limited resources and training in counterterrorism and maritime security, so the country remained vulnerable to terrorist transit. Comorian police and security forces participated in U.S. antiterrorism assistance programs and cooperated with the Rewards for Justice Program.

Prior to 2008, the attempted secession of the island of Anjouan, and the establishment of hundreds of shell banks there, presented serious money laundering/terrorist financing vulnerabilities in that country. In 2008, Comoros made strides toward building an anti-money laundering/counterterrorist finance (AML/CFT) regime. With assistance, the Union Government brought Anjouan back fully into the Union of the Comoros, and although lacking an AML/CFT law, made use of the tools it does have and began closing down the shell banks. Comoros also reached out internationally for legal and law enforcement assistance to build an effective AML/CFT regime and also to find and capture those responsible for the shell banks that were traced to Europe. Comoros applied for membership and was accepted as an observer to the Eastern and Southern Africa Anti-Money Laundering Group. At year's end, a draft AML law was in the Parliament.

President Sambu, democratically elected in May 2006, reconfirmed Comoros' rejection of terrorism, and with Comoros' religious leaders, publicly rejected religious extremism. President Sambu has sought close partnership with the United States to develop Comoros economically and to create opportunities for the country's youth. He visited Washington in July, and met with the Secretary of State. In September, Foreign Minister Jaffar led a Comoran delegation to the State Department for the second meeting of a "joint committee" to improve bilateral relations, which included counterterrorism cooperation.

Democratic Republic of Congo

The Democratic Republic of Congo's capacity to monitor and disrupt terrorist threats was extremely limited due to lack of resources and training, lack of governance, and unfamiliarity with the issue. The two principal foreign armed groups operating in the DRC and posing a threat to security and stability were the rebel group Democratic

Forces for the Liberation of Rwanda (known by its French acronym FDLR) and the Lord's Resistance Army (LRA). The FDLR, which includes former soldiers and supporters of the regime that orchestrated the 1994 Rwanda genocide, continued to operate with relative impunity in parts of North and South Kivu provinces. The LRA, operating principally in northeastern Orientale province, arrived in the DRC in 2006 after a 20-year war against the government of Uganda.

Cote D'Ivoire

Cote d'Ivoire is recovering from a political-military crisis that essentially divided the country's territory in half. Instability and insecurity associated with the country's crisis has not been associated with any international terrorist organizations, and there was little evidence to indicate the existence of a terrorist threat. In an effort to improve border security, the Government of Cote d'Ivoire, in cooperation with the United States, implemented the Personal Identification Secure Comparison and Evaluation System, (PISCES), at its major airport and seaport. Cote d'Ivoire's Financial Intelligence Unit (FIU) became operational in 2008, allowing authorities to begin enforcing its reporting regime and enhance and target investigations. Members of the FIU, as well as Central Bank of West African States (BCEAO) examiners charged with anti-money laundering/counterterrorist finance bank inspections, took part in financial regulatory training given by the United States in Washington, DC.

Djibouti

Djibouti hosted the only military base in Sub-Saharan Africa for the United States and Coalition Forces and was one of the most forward-leaning Arab League members supporting ongoing efforts against terrorism. President Ismail Omar Guelleh and many top leaders in Djibouti repeatedly expressed their country's full and unqualified support for the global campaign against terrorism. Although the government's capabilities were limited, Djiboutian counterparts were very proactive, and were highly receptive and responsive to United States requests for cooperation. The Djiboutian National Security Services and law enforcement agencies took extraordinary measures with their limited resources to ensure the safety and security of American citizens, the U.S. Embassy, and the U.S. military base at Camp Lemonier.

Eritrea

On May 14, the U.S. Department of State certified Eritrea "as a country that is not fully cooperating with U.S. antiterrorism efforts."² The lack of Eritrean cooperation has constrained the United States' ability to pursue terrorist suspects in East Africa, including al-Shabaab leaders linked to al-Qa'ida (AQ). In addition, the Government of Eritrea provided safe haven to Hassan Hahir Aweys, a Specially Designated Global Terrorist under U.S. Executive Order 13224 and UNSCR 1267 for his links to AQ.

The Eritrean government has linked broader cooperation on counterterrorism programs to the unresolved border dispute with Ethiopia and to a resolution of the ongoing conflict in Somalia.

Ethiopia

The Government of Ethiopia, facing a deteriorating security environment in Somalia that resulted in increased threats to its own security, and in support of the internationally recognized Transitional Federal Government of Somalia, battled insurgents and extremists that were formerly affiliated with the Council of Islamic Courts, including the al Qaeda (AQ)-affiliated al-Shabaab factions. Until they announced their military withdrawal from Somalia in late 2008, Ethiopian forces provided critical support to the African Union Mission in Somalia (AMISOM) peacekeeping force, which was also targeted by extremist elements. In addition, Ethiopian forces countered individuals affiliated with organizations that attempted to conduct attacks inside Ethiopia.

Ethiopia's location within the Horn of Africa made it vulnerable to money laundering activities perpetrated by transnational criminal organizations, terrorists, and narcotics traffickers. However, the government has yet to establish an anti-money laundering/combatting the financing of terrorism (AML/CFT) regime. Although passage of the AML/CFT regime stalled in 2007, the government pressed forward to pass an existing draft, and requested the participation of USG officials involved in prior technical assistance programs to work with Ethiopian central bank officials and local technical consultants in order to finalize the AML/CFT law before submission to parliament. In addition, the government requested that USG officials help draft AML/CFT training manuals for the Ethiopian banking sector. The manuals will be part of the establishment of a Financial Intelligence Unit at the National Bank of Ethiopia.

Ethiopia's National Intelligence and Security Service (NISS), with broad authority for intelligence, border security, and criminal investigation, was responsible for overall counterterrorism management. Federal and local police counterterrorism capabilities were primarily focused on responding to terrorist incidents. In November, the Ethiopian government's House of People's Representatives ratified the Protocol to the Organization of African Union (OAU) Convention on the Prevention and Combating of Terrorism. Ethiopia was an active participant in African Union (AU) counterterrorism efforts, served as a focal point for the AU's Center for Study and Research on Terrorism, and participated in meetings of the Committee of Intelligence and Security Services of Africa (CISSA).

Ghana

Ghana's parliament passed, and President Kufuor signed, a Counterterrorism Act that made it an offense to commit or to provide financial or material assistance to a person or group which commits an act of terrorism. The Act also allows, with a court order, police to intercept communications, for the Director of Immigration to order the removal of non-citizens believed to be involved in the commission of a terrorist act, and for a national identification card program to be implemented. The cards will contain bio-metric data such as fingerprints and photos. AFRICOM provided the Ghanaian Navy with four 27-foot patrol boats to improve maritime interdiction capacity to help address Ghana's limited capacity to patrol its porous borders, including its maritime border. Ghana also passed an anti-money laundering law that provides for the establishment of a Financial Intelligence Unit (FIU); at year's end, the FIU had not yet been established.

Kenya

The escalating conflict in Somalia provided a permissive environment for terrorist groups such as al-Qa'ida (AQ) operatives and al-Shabaab. The most serious threat to Kenya came from AQ operatives such as Fazul Abdullah Mohammed (aka Harun Fazul), and Saleh Ali Saleh Nabhan, who were responsible for the 1998 U.S. embassy bombings. AQ also had a support network in the coastal region and in parts of Nairobi, such as the Eastleigh District. While the border with Somalia officially remained closed, some Kenyan officials characterized the closure as irrelevant given the ease of crossing in both directions.

Kenya lacked the counterterrorism legislation necessary to comply with the UN conventions it has signed. In addition, it remained difficult to detain terrorist suspects and prosecute them effectively under existing laws. For example, in September, an appeals court ordered Omar Said Omar, linked to the 2002 Kikambala Paradise Hotel bombing, released from custody due to a lack of useable evidence and improper police procedures. The issue of counterterrorism legislation remained highly controversial in Kenya with elements of the press, the human rights community, and Muslim leadership criticizing proposed legislation as anti-Muslim and as giving the government excessive power that could potentially be used to abuse human rights. In 2006, the Kenyan government submitted to Parliament a revised draft of the defeated 2003 "Suppression of Terrorism Bill," but critics sharply criticized the bill and it did not pass. The law was not reintroduced in the 2008 legislative session. Passage of legislation for combating money laundering and terrorist financing progressed slowly. The "Proceeds of Crime and Money Laundering Bill" went through two readings but did not pass before the end of the year's legislative session. Kenya is one of two countries in the Eastern and Southern Africa Anti-Money Laundering Group without an anti-money laundering law; in August Kenya assumed its presidency for a one-year term.

Supporters of AQ and other extremist groups were active in the East Africa region. As a result of the continuing conflict in Somalia, many members of these organizations have sought to relocate elsewhere in the region and some were believed to have traveled to Kenya. In August, police raided a house in the coastal town of Malindi searching for Harun Fazul, suspected of leading the plot to bomb the Embassy in 1998. Fazul escaped, but police said they seized two of his passports.

Kenyan security officials worked with the United States and other allies to seek to prevent terrorist infiltration into the country and apprehend suspected terrorists. The Kenyan Army worked to develop a Ranger Strike Force with assistance from the United States. The mandate for this unit includes operations against infiltrators and armed groups, including terrorists. The Kenyan Air Force procured additional F-5 fighter aircraft as being necessary to conduct maritime and counterterrorism surveillance and strike operations. The Kenyan Navy received training and equipment from the United States for maritime interdiction operations in territorial waters. The Maritime Police Unit and other agencies received equipment and training for coastal security from the State Department's Antiterrorism Assistance program (ATA). The U.S. military's Combined Joint Task Force-Horn of Africa (CJTF-HOA) collaborated with ATA on maritime operations training, and was in the formative stages of creating a Regional Maritime Center of Excellence designed to

deal with terrorism and other maritime security issues. At year's end, CJTF-HOA was in the process of installing a Maritime Security and Safety Information System (MSSIS) in key positions along the coast.

Liberia

Despite limited resources, inadequately trained personnel, and a weak judicial system, products of 14 years of civil war, the Government of Liberia demonstrated a willingness to cooperate with the United States and the international community to combat terrorism. Through rule of law and security sector reform assistance programs, the United States supported a number of initiatives that addressed Liberia's vulnerabilities, which included porous borders, rampant identification document fraud, lax immigration controls, wide-scale corruption, and underpaid law enforcement, security, and customs personnel.

There have never been any acts of transnational terrorism in Liberia. Of concern, however, were reports that during the Charles Taylor-era, hundreds of Middle Eastern businessmen purchased legitimately issued but fraudulently obtained Liberian diplomatic passports from Ministry of Foreign Affairs (MFA) officials. These documents would permit free movement between the Middle East and West Africa. The government took steps to stop this practice by requiring that diplomatic passports be issued only by the Ministry of Foreign Affairs in Monrovia. New restrictions on who qualifies for Liberian diplomatic or official passports were implemented by the Foreign Ministry's passport office.

Liberia's indigenous, war-weary, and predominantly Sunni Muslim community, which represents between 15-20 percent of the country's population, has demonstrated no interest in religious extremism to date. That said, outstanding land disputes negatively affecting large numbers of Muslim land owners in Nimba and other counties could fan ethnic and religious tensions with the predominantly Christian central government.

Madagascar

International terrorism was a concern in Madagascar because of the island nation's inadequately monitored 3,000 mile coastline. Malagasy police, military, intelligence, and security forces have not had much training in counterterrorism and maritime surveillance. Despite these limitations, there was little evidence to indicate any terrorist threat.

Despite limited resources, government officials were willing to cooperate with the United States and the international community. Madagascar volunteered to be chosen by the UN as a pilot country for counterterrorism efforts, and received a UN evaluation mission in October. The UN team will draft a report of recommendations for the Government of Madagascar on how to better implement UN Resolution 1373, likely focusing on improved coordination between the intelligence services, police, and the gendarmerie.

To combat terrorist threats, the government has created the Central Counterterrorism Service within the Ministry of Interior to work with INTERPOL and

to provide information within the framework of regional and international cooperation. It also created a special counterterrorism branch within the Central Intelligence Service. In June, the Financial Intelligence Unit (SAMIFIN) was officially launched, and was charged with combating money laundering, including terrorist finance.

The Malagasy government took steps to create a coast guard to improve maritime security and border control. The government improved customs methods and equipment and adopted a biometric passport. It installed an information system to track arrivals and departures, x-ray machines, UV lamps, and magnetometers at the international airports. Judges, prosecutors, and judicial police were trained on international counterterrorism cooperation in January and parliament drafted a bill encompassing the universal counterterrorism instruments, including the requirements of UN Security Council Resolution 1373.

Despite this progress, political unrest and limited resources constrained Madagascar's ability to confront a potential terrorist threat. The Malagasy authorities still lacked the capacity to effectively monitor suspect organizations, control suspicious financial transactions, identify terrorist suspects, and control the movement of people and goods across its borders.

Mali

Disparate Tuareg rebel groups in northern Mali attacked Malian military forces on several occasions, but none of these incidents were related to terrorist activities. Al-Qa'ida in the Islamic Maghreb (AQIM) used isolated and remote areas of northern Mali as a safe haven and held two Canadian UN officials, but did not focus attacks within Mali. Mali's extremely long and porous northern border, together with severe resource constraints stemming from Mali's status as one of the poorest countries in the world, hampered the Malian government's ability to prevent AQIM from seeking refuge within northern Mali. An active and engaged member of the Trans-Sahara Counterterrorism Partnership (TSCTP), Mali worked with the United States and other regional partners to address the threat posed by AQIM. Mali was also an active participant in U.S. programs including bilateral and regional military training and the Antiterrorism Assistance program. On October 31, AQIM released two Austrian tourists who were kidnapped in February in southern Tunisia to government authorities in northern Mali after a ransom was paid.

Mali worked to combat terrorism and responded on terrorist financing issues. In May, Mali's National Section for the Processing of Financial Information (CENTIF) began operations. The CENTIF, which reports to the Ministry of Finance, is responsible for processing information on money laundering and terrorist financing. In July, the Malian National Assembly ratified a new counterterrorism law that classified terrorist financing as an act of terrorism. Mali also created an inter-agency counterterrorism commission composed of senior level officials from the Ministries of Foreign Affairs, Finance, Interior Security, Defense, Territorial Administration, and Justice. A member of the Intergovernmental Anti-Money Laundering Group in Africa, Mali's mutual evaluation report was discussed and adopted by the plenary body in November 2008.

Mauritania

Al-Qa'ida in the Islamic Maghreb (AQIM) represented the primary terrorist threat to Mauritania. After two fatal attacks in late December 2007, AQIM significantly increased its level of activity and severity of attacks. In 2008:

- On February 1, six gunmen attacked the Israeli embassy and an adjacent nightclub in Nouakchott. No one was killed, but three foreigners were injured. AQIM claimed responsibility for the attack, and all of the perpetrators were later arrested by Mauritanian security forces.
- In April, one of the suspects in an attack on French tourists in December 2007 escaped from the main Nouakchott courthouse. This led to an intensive manhunt that culminated in a pitched gun battle between Mauritanian security forces and several suspected terrorists holed up in a house. A police inspector and two suspects were killed in the shootout, and several were wounded. The remaining suspects managed to escape, though several were later arrested, including the suspect who had escaped from the courthouse. Based on these arrests and other ongoing investigations, Mauritanian security forces discovered a villa in Nouakchott stocked with weapons and explosives.
- On September 15, an ambush on a military convoy near the remote northern village of Tourine resulted in the deaths of 11 soldiers and a civilian guide. The attack was particularly gruesome, with the attackers decapitating the soldiers and mining their bodies with explosives. AQIM claimed responsibility for the attack.

On August 6, General Mohamed Ould Abdel Aziz's bloodless coup against democratically-elected President Sidi Mohamed Ould Cheikh Abdallahi resulted in U.S. government suspension of all non-humanitarian assistance, including most military cooperation and counterterrorism training to the junta-led Mauritanian government.

The lawless eastern and northern regions of Mauritania were a haven for smugglers and terrorists. The porous borders with Algeria, Mali, and Western Sahara posed ongoing challenges for the ill-equipped and poorly funded Mauritanian security services. A new counterterrorism force that received U.S. government training and assistance before the coup was rushed into deployment in October, in an attempt to bolster Mauritania's northern defenses in the wake of the Tourine attack. This new counterterrorism force was untested in combat at year's end.

The Mauritanian government arrested approximately 90 terrorist suspects during 2007 and 2008 combined. Approximately 60 of these suspects were arrested in April 2008 during the massive manhunt for the escaped suspect in the attack on French tourists. All suspects from that attack were arrested or rearrested, and remained in custody at year's end.

Mauritius

In November, Mauritian Prime Minister Rangoulam announced before Parliament a series of planned security upgrades to ports and airports in an unprecedented push to prevent terrorism in Mauritius. The airport measures will include upgrades of the existing x-ray machines and the installation of two new units, a 100 percent screening of hold baggage at the airport, the installation of an Advanced Passenger Information (API) system, and the linking of Customs, Passport, and Immigration

Services databases. Mauritius is also developing an Alert Color Code System in accordance with international practices.

As a result of limited available resources to cover its shores and waterways, Mauritius has traditionally had problems controlling land access, especially by small boats. To address this challenge, Mauritius has fortified its port security measures by strengthening access controls through an enhanced identification system, updated Closed Circuit Television Systems, and an increased number of police and customs officers.

Mauritius' Customs Mutual Assistance Agreement with the United States coupled with its goal of being a port where 100 percent of entering cargo is scanned have prompted progress on the Mauritian Cargo Community System (CCS) project. The CCS project aims to collect, organize, and provide advance electronic information on cargo and container shipments to ensure adequate risk assessment. Progress on this project has led to a continuous increase in the percentage of containers scanned.

Mauritius has a comprehensive and growing antiterrorism legislative framework based on "The Prevention of Terrorism Act of 2002," which criminalized terrorist financing and gave the government the power to track and investigate terrorist-related assets. The Government of Mauritius is well aware that organizations that accept charity funds could be susceptible to terrorist financing, and monitors these types of activities accordingly.

In November, Mauritius established a counterterrorism unit that includes the Commissioner of Police, the Commander of the National Guard, and the Head of the Interior Affairs Ministry.

In December, Mauritius implemented a new Border Control System that enables more effective controls over travel documents. Before the implementation of the new system, Mauritian Customs officials had caught 20 travelers using false passports. While most of these individuals were released in November, customs officials caught six Iraqis on their way to Australia using false Danish passports. The Iraqis were being held at year's end until the Mauritian authorities could verify their identities.

Mauritius is one of three countries in sub-Saharan Africa whose Financial Intelligence Unit is an Egmont Group³ member. In 2008, Mauritius underwent a discussion of its mutual evaluation by the Eastern and Southern Africa Anti-Money Laundering Group plenary, and the report of the evaluation was adopted by the plenary body.

Namibia

In 2008, the Government of Namibia enacted the 2007 Financial Intelligence Act, which serves as the cornerstone of Namibia's anti-money laundering and counterterrorist financing efforts in concert with the Prevention of Organized Crime Act (2004), the Anti-Corruption Act (2003), the Drug Control Bill, and the Antiterrorism Bill (the latter two were not yet enacted at year's end).

This legislative package calls for reporting of the following acts: suspicious transactions, large cash transactions, electronic funds transfers, and cross-border conveyances of currency. It also strengthened the government's ability to investigate and prosecute money-laundering crimes. With the support of the United States, Namibia's Financial Intelligence Unit has been established and is operational.

Nigeria

The Government of Nigeria took steps regarding counterterrorism legislation. The National Focal Point on Terrorism, an interagency task force formed in February 2007, composed of the State Security Service (SSS), the Nigerian Customs Service, the Ministry of Foreign Affairs, Immigration, and other relevant authorities, met periodically throughout the year. In October, in an effort to improve coordination and communication between the legislative and executive branches, the UN Office on Drugs and Crime sponsored a workshop on counterterrorism legislation for Focal Point participants and members of relevant committees in the National Assembly.

A Senate bill based on the Commonwealth Secretariat's Model Legislative Provisions on Measures to Combat Terrorism passed its second reading on September 17, and was referred to the Senate Committees on National Security and Intelligence and the Judiciary for further review.

The Nigerian government approved the installation of U.S.-funded body scanners in all four international airports to detect explosives and drugs on passengers. The scanners were installed in March, May, and June. The Nigerian and U.S. governments also cosponsored a conference on aviation security in Abuja from November 17-18. Despite repeated requests from the U.S. government, however, the Nigerian government has not yet approved the use of U.S. Federal Air Marshals on direct flights between Nigeria and the United States.

On May 5 in Abuja, President Yar'Adua, in a message delivered by Vice President Goodluck Jonathan to open a conference of the Committee of Intelligence and Security Services in Africa (CISSA), charged the assembled heads of intelligence and security services with developing strategies to check the spread of extremist ideologies in West Africa by external elements, and called for increased regional and global networking to meet the threat. Ambassador Emmanuel Imohe, Director General of Nigeria's National Intelligence Agency (NIA), also took a leadership role at the meeting, calling for greater cooperation and intelligence sharing, particularly given the region's porous borders.

On May 14, the Nigeria Police Force announced the deployment of units from its newly created Antiterrorism Squad (ATS) to Lagos, Abuja, Port Harcourt, and Kano, reportedly as a result of an alleged terrorist threat.

On May 27, Malam Kasimu Umar, leader of an extremist Shia group in Sokoto, and 112 members of his sect, were sentenced by the Sokoto Upper Sharia Court to eight years imprisonment on weapons charges, resisting arrest, public incitement, and "inciting contempt of religious creed," in connection with violence in the aftermath of the July 2007 assassination of a renowned Islamic preacher Malam Umaru Dan Maishiyya, a crime whose motive has never been determined.

From September 8-12, members of the Nigerian Armed Forces, as well as authorities from customs and immigration and other relevant civilian agencies, participated in a USG security seminar on protecting the maritime domain. During the September 17-22 visit of the USS Elrod, under the auspices of the Africa Partnership Station, a joint exercise was successfully conducted with the newly operational Regional Maritime Awareness Capability (RMAC) system in Lagos. Progress continued on the establishment of an additional RMAC station in the east. Nigerian military personnel attended operational and strategic counterterrorism training in the United States and Germany under the auspices of the Trans-Sahara Counterterrorism Partnership. Twelve Nigerians attended a U.S.-sponsored Post-Blast Investigation Training course in August, while 20 participated in a Maritime Port and Harbor Security Management course in September.

On November 2, the Nigerian Police Force announced the deployment of ATS units to strategic locations in the Federal Capital Territory, as well as Rivers, Lagos, and Kano States. On November 7, the Nigerian Federal Government elevated its threat level over potential sabotage of national infrastructure in a confidential memo that was subsequently leaked to the *Nigerian Tribune* newspaper.

A member of the Intergovernmental Anti-Money Laundering Group in Africa, Nigeria's mutual evaluation report was discussed and adopted by the plenary body in May 2008. Nigeria's Financial Intelligence Unit (FIU) is the only Egmont member in the sub-region, and has volunteered to sponsor four additional FIUs in the sub-region for membership. Actions taken by the Nigerian authorities in 2008 regarding the Economic and Financial Crimes Commission have led to concerns about the effectiveness of this institution and its continued sustainability.

Rwanda

The Government of Rwanda reinforced border control measures to identify potential terrorists and to prevent the entry into Rwanda of armed groups operating in the Democratic Republic of the Congo. Rwanda's intergovernmental counterterrorism committee and a counterterrorism reaction team in the police intelligence service were operational. In June, a U.S. Coast Guard team trained Rwanda Defense Force marines on border control operations on Lake Kivu (bordering the Congo), including harbor security, interdiction of illegal traffic in goods and persons, the law of naval warfare, anti-narcotrafficking, and counterterrorism drills and procedures.

Rwandan officials (particularly in the Central Bank and Ministry of Finance) cooperated on terrorist financing issues. Parliament approved new comprehensive legislation supporting the prevention and suppression of money laundering and financing of terrorism. The legislation, awaiting signature by the president, included provisions to enhance the transparency of financial transactions, establish a Financial Investigations Unit (FIU), and authorize the freezing of assets of individuals and organizations involved in illicit or terrorism-related activities. Rwanda officially committed itself to locating and freezing terrorist assets identified by the international community.

Rwanda participated in regional initiatives on international counterterrorism cooperation, including the East Africa Standby Brigade. In October, Rwanda hosted

a meeting of African Union Attorney Generals and Ministers of Justice, which considered a broad range of law enforcement issues, including counterterrorism cooperation and legislation. Rwanda also hosted several extensive training courses for senior police commanders on counterterrorism and other issues in cooperation with the United Kingdom.

Besides reinforcing border security and refining counterterrorism legislation and intelligence sharing, the Government of Rwanda developed counterterrorism response strategies. The Rwandan national tourist office continued its development of a communications network to alert embassies should their citizens be harmed in Rwanda's national parks. Work continued as well on increased disaster preparedness. The national Civil Aviation Authority, working in conjunction with the U.S. Federal Aviation Administration and the Department of Transportation, reviewed East African Community security measures for airports and airlines in Rwanda, focusing in particular on security and disaster response at Kigali International Airport. This year was the first that Rwanda sent National Police officers to the International Law Enforcement Academy for a range of criminal investigation courses with counterterrorism applications.

Senegal

The Government of Senegal cooperated with the United States to identify terrorist groups operating in Senegalese territory. More work remained to be done, however, to develop first responder services, to facilitate the quick sharing of information between agencies, and to control porous borders where police and security services were undermanned and ill-equipped to prevent illicit cross-border trafficking. Although al-Qa'ida in the Islamic Maghreb did not launch attacks or secure safe haven in Senegal, it attempted to set up transit points and facilitation networks in the country. The Government of Senegal affirmed its commitment to USG-assisted efforts to augment its border security. Senegal recognized that some groups of concern have attempted to engage in fundraising and propaganda activities and participated in regional efforts to combat terrorist finance. Senegal lacked specific counterterrorism legislation and current laws made it difficult to prosecute terrorist suspects. Senegalese government officials participated in Antiterrorism Assistance programs. One of the first Financial Intelligence Units (FIUs) in the sub-region, Senegal's FIU, known as CENTIF, has been active in sponsoring and holding implementation, consciousness-raising and awareness workshops on anti-money laundering/terrorist finance issues for its own stakeholders as well as for counterparts from around the sub-region. A member of the Intergovernmental Anti-Money Laundering Group in Africa, Senegal's mutual evaluation report was discussed and adopted by the plenary body in May 2008.

Somalia

Somalia's fragile transitional federal government, protracted state of violent instability, its long, unguarded coastline, porous borders, and proximity to the Arabian Peninsula, made the country an attractive location for international terrorists seeking a transit or launching point for operations in Somalia or elsewhere. On October 29, awareness of the technology, methodology, and magnitude of the Somali terrorism threat increased dramatically when unknown suicide terrorists

detonated five near-simultaneous vehicle bombs against UN, Ethiopian diplomatic, and government offices in Bossaso and Hargeisa. Authorities suspected southern Somali extremists with ties to al Qa'ida (AQ) were responsible. There were other high profile terrorist attacks:

On January 18, three international aid workers were killed by a roadside bomb in Kismayo.

- In February, two bombs killed 20 and injured over 100 in Bossaso.
- On March 10, a moderate Somali cleric and peace activist was murdered as he left a Mogadishu mosque.
- On March 12, a police chief was kidnapped and beheaded.
- On June 1, President Abdullahi Yusuf's convoy was ambushed by gunmen.
- On July 6, an assassin killed the Director of the United Nation Development Program in Mogadishu.
- On August 3, a roadside bomb killed 20 female street sweepers in Mogadishu.
- On November 9, Somali militants crossed the Kenyan border to kidnap two Italian nuns.

Despite on-going peace negotiations between the Transitional Federal Government (TFG) and moderate opposition, the Alliance for the Re-Liberation of Somalia, the terrorist group al-Shabaab (The Youth) militarily captured much of southern Somalia in the second half of the year. By year's end, the TFG was confined to parts of Mogadishu. Al-Shabaab, whose leaders are affiliated with AQ, consists of a disparate grouping of armed extremist militia, many of whom do not adhere to the jihadist ideology that is shared among the leaders of the group. Several senior leaders are believed to have trained and fought with AQ in Afghanistan. Al-Shabaab and other extremists also conducted remote-controlled roadside bombings, kidnappings, and assassinations of government officials, journalists, humanitarian workers, and civil society leaders. Al-Shabaab threatened agencies and their staff and expelled U.S. humanitarian aid agency CARE from southern Somalia. The African Union Mission in Somalia (AMISOM), securing the air and sea ports and presidential compound, lost three soldiers to extremist attacks during the year. Among the foreign AQ operatives al-Shabaab is sheltering are individuals wanted for the 1998 embassy bombings in Kenya and Tanzania and a 2002 hotel bombing in Kenya, including Fazul Abdullah Mohammed (aka Harun Fazul), and Saleh Ali Saleh Nabhan. The capability of the TFG and other Somali local and regional authorities to carry out counterterrorism activities was extremely limited.

Somalia-based piracy remains a significant threat in the Gulf of Aden and the Somali basin. The international community is responding with naval assets but the nature of the threat and the vastness of the area make stopping piracy nearly impossible without a shore-based strategy to address piracy. While there is no clear nexus with terrorism, such a link remains possible.

South Africa

South Africa supported efforts to counter international terrorism and shared financial, law enforcement, and limited intelligence information with the United States. Some

analysts believe that elements and support systems for al-Qa'ida (AQ) and/or other extremist groups have a presence within South Africa's generally moderate Muslim community, but it was unclear to what extent foreign terrorist groups have a presence in South Africa. In 2007, the Department of the Treasury designated South African nationals Farhad and Junaid Dockrat as AQ financiers and facilitators, subjecting them to U.S. sanctions.

Border security challenges, socio-cultural attitudes, and document fraud negatively affected the government's ability and efforts to pursue and intervene in counterterrorism initiatives. South African identity and travel documents generally included good security measures, but because of poor administration, lack of institutional capacity, and corruption within the Department of Home Affairs, which is responsible for immigration services, thousands of bona fide South African identity cards, passports, and work/residence permits were fraudulently issued.

South Africa is the only Financial Action Task Force member in Africa and has one of the three Egmont-member Financial Intelligence Units in the region. It is also a member of Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) and as such, has served as a resource for other ESAAMLG members.

Tanzania

Tanzania remained vulnerable to international terrorism, as the terrorist network responsible for the 1998 U.S. Embassy bombing remained active in the region. Tanzania established a National Counterterrorism Center in late 2007 and continued its participation in several multi-year programs to strengthen its law enforcement and military capacity, improve aviation and border security, and combat money laundering and terrorist financing. Tanzania's Anti-Money Laundering Act, which created a Financial Intelligence Unit as an extra-ministerial department of the Ministry of Finance, was signed into law in July 2007, with implementing regulations published in September 2007.

Uganda

Uganda, situated in a region rife with insecurity, was working to find a permanent solution to two domestic insurgencies while also addressing a regional terrorist threat from al-Qa'ida (AQ) and al-Shabaab in neighboring countries. Extremists moving between the Horn of Africa and North Africa and Europe used Uganda as a transit point. While in transit, their members were believed to have illegally purchased government documents and engaged in recruitment activities. In response, the Government of Uganda continued efforts to track, capture, and hold individuals with suspected links to terrorist organizations. In October, the government put Kampala on high alert and increased security at government installations, popular shopping centers, and other soft targets. Somalia-based al-Shabaab has never conducted an attack in Uganda, but identified Uganda as a potential target as retribution for its participation in the AU-led peacekeeping mission in Somalia. While the Ugandan government was a strong advocate for cross-border solutions to persistent problems in the Great Lakes Region, resource limitations and corruption hampered more effective counterterrorism measures. Uganda is one of two members of Eastern and Southern Africa Anti-Money Laundering Group with no anti-money

laundering/terrorism finance legislation. On December 14, 2008, Uganda commenced a joint operation with the Democratic Republic of the Congo (DROC) against the Ugandan terrorist group Lord's Resistance Army resident in DROC.

Zambia

In 2007, the Zambian Government passed an antiterrorism bill, which criminalized acts of terrorism, including terrorist training and incitement, and granted the government significant authority to investigate, prevent, and prosecute acts of terrorism. However, inadequate resources and training impeded Zambia's law enforcement agencies' counterterrorism capabilities. Zambia's borders are long and porous, often cutting across ethno-linguistic lines, and were not effectively monitored or controlled. Its points of entry are vulnerable to human trafficking and international crime. Instability in Zimbabwe resulted in an increase in migrants during 2008. Despite assistance from the United States Treasury, the Zambian government does not have an internationally-compliant anti-money laundering or counterterrorist financing regime.

Zimbabwe

Zimbabwean government agencies routinely provided assistance by conducting investigative inquiries, traces, and border checks of individuals thought to be threats to U.S. government facilities or personnel. Zimbabwe's continued economic decline, however, has had a detrimental impact on local law enforcement and national security elements responsible for implementing and coordinating counterterrorism efforts. The Suppression of Foreign and International Terrorism Bill, enacted in August 2007 to combat terrorism and mercenary activities in Zimbabwe, has been redirected to suppress the political opposition.

¹ The Algiers-based African Center for Study and Research in Terrorism (ACSRT) was approved and inaugurated in October 2004 to serve as a think tank, an information collection and dissemination center, and a regional training center.

² As a result of this determination, Section 40A of the Arms Export Control Act, as amended (22 U.S.C. 2781), prohibits the sale or licensing for export of defense articles and defense services to Eritrea.

³ The Egmont Group consists of 108 financial intelligence units (FIUs) from across the world. FIUs are an essential component of the international fight against money laundering, the financing of terrorism, and related crime. Their ability to transform data into financial intelligence is a key element in the fight against money laundering and the financing of terrorism.