



Regional: Developing Anti-Money Laundering and Combating the Financing of Terrorism Approaches, Methodologies, and Controls (Subproject B)

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| Project Name | Developing Anti-Money Laundering and Combating the Financing of Terrorism Approaches, Methodologies, and Controls (Subproject B) | | |
| Project Number | 50258-003 | | |
| Country | RegionalBhutanMongoliaPhilippinesPapua New Guinea | | |
| Project Status | Active | | |
| Project Type / Modality of Assistance | Technical Assistance | | |
| Source of Funding / Amount | TA 9706-REG: Developing Anti-Money Laundering and Combating the Financing of Terrorism Approaches, Methodologies, and Controls (Subproject B) | | |
| | Technical Assistance Special Fund | US\$ 1.00 million | |
| Strategic Agendas | Environmentally sustainable growth Inclusive economic growth Regional integration | | |
| Drivers of Change | Governance and capacity development Knowledge solutions Partnerships Private sector development | | |
| Sector / Subsector | Finance - Banking systems and nonbank financial institutions | | |
| Gender Equity and Mainstreaming | No gender elements | | |
| Description | Subproject B is part of the cluster regional capacity development technical assistance (TA) that supports the banking and finance sectors in developing member countries (DMCs) of the Asian Development Bank (ADB) to improve the implementation of anti-money laundering and combating the financing of terrorism (AML/CFT) regulatory measures, and strengthen the capacity of domestic banks and nonbank financial institutions (NBFIs) to comply with the requirements of the Financial Action Task Force (FATF). The DMCs that are currently covered by the TA are Bhutan, Mongolia, Papua New Guinea, and the Philippines. Subproject A has successfully supported the targeted DMCs to expand the reach of domestic AML/CFT reforms beyond the banking sector and into other targeted risk areas, particularly NBFIs and DNFBPs. Subproject B intends to deepen the impact of these reforms by helping the governments of the targeted DMCs to ensure that the improved regulatory frameworks are adequately implemented by the domestic banking sector, NBFIs and DNFBPs. This is foreseen to entail a deeper level of engagement with covered persons from within these sectors, including focused interventions to train compliance officers in the private sector, and assistance to develop or improve internal AML/CFT governance structures, policies and processes. | | |
| Project Rationale and Linkage to Country/Regional Strategy | Considering that Subproject A managed to provide technical assistance aimed at strengthening the compliance functions within domestic banks and NBFIs, and supported FIUs and regulators to improve regulatory frameworks, Subproject B is expected to expand the impact of the TA by providing more resources to: (i) further deepen the initial assistance provided, by ensuring that the trainings, tools and guidelines delivered under Subproject A actually translate to improved compliance programs, systems and practices; (ii) broaden the reach of the assistance to a wider number of banks and NBFIs, and to DNFBPs; and (iii) strengthen national corporate registration systems and data sources, which will - in turn - improve the effectiveness of the CDD performed by domestic entities. | | |
| Impact | Legal and institutional systems to combat money laundering and the financing of terrorism are established and implemented effectively. | | |
| Project Outcome | | | |
| Description of Outcome | Capacity of DFIs to comply with the Financial Action Task Force AML/CFT requirements strengthened | | |
| Progress Toward Outcome | | | |
| Implementation Progress | | | |

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| Description of Project Outputs | <p>a. AML/CFT risk-based due diligence rules and procedures are developed and implemented by the selected DFIs.</p> <p>b. The capacity of DFIs to effectively use adequate CDD tools and approaches, including the identification of ultimate beneficial ownership, is enhanced.</p> |
| Status of Implementation Progress (Outputs, Activities, and Issues) | |
| Geographical Location | Bhutan - Nation-wide; Mongolia - Nation-wide; Papua New Guinea - Nation-wide; Philippines - Nation-wide |

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Business Opportunities

Consulting Services Consultants will be engaged by ADB in accordance with its Guidelines on the Use of Consultants (2013, as amended from time to time).

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| Responsible ADB Officer | Syquia, Jose Luis C. |
| Responsible ADB Department | AIOD |
| Responsible ADB Division | AIOD-DU |
| Executing Agencies | Asian Development Bank 6 ADB Avenue, Mandaluyong City 1550, Philippines |

Timetable

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| Concept Clearance | - |
| Fact Finding | - |
| MRM | - |
| Approval | 11 Jan 2019 |
| Last Review Mission | - |
| Last PDS Update | 15 Jan 2019 |

TA 9706-REG

| Financing Plan/TA Utilization | | | | | | | Cumulative Disbursements | |
|-------------------------------|-------------|-------------|---------------|-----------------|--------|--------------|--------------------------|--------|
| ADB | Cofinancing | Counterpart | | | | Total | Date | Amount |
| | | Gov | Beneficiaries | Project Sponsor | Others | | | |
| 1,000,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,000,000.00 | - | 0.00 |

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| Project Page | https://www.adb.org/projects/50258-003/main |
| Request for Information | http://www.adb.org/forms/request-information-form?subject=50258-003 |
| Date Generated | 17 January 2019 |

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