



PRESS RELEASE

Global Coalition to Fight Financial Crime (GCFFC) Middle East and North Africa (MENA) Chapter and The MENA Financial Crime Compliance Group (MENA FCCG) launch the Trade Based Financial Crime (TBFC) Reference Guide

On Tuesday 25 October 2022, the MENA Chapter of the GCFFC and MENA FCCG launched their jointly developed bilingual Reference Guide for practitioners to assist in improving awareness of trade-based financial crime risks. The guide was simultaneously published as an open source on the GCFFC and MENA FCCG websites and introduced to the market at the London Stock Exchange Group (LSEG) 14th MENA Regulatory Summit 2022 in Abu Dhabi, organized by LSEG under the patronage of the UAE Executive Office of Anti-Money Laundering and Counter Terrorism Finance.

TBFC is persistently flagged as one of the most poorly understood risk areas within the anti-money laundering framework. The complexity and extensiveness of the global trade system, which UNCTAD reported as having reached a record volume of USD \$28.5 trillion in 2021, makes it vulnerable to use as a conduit for illicit funds, and particularly challenging to protect from criminal abuse.

Countries across the region that are subject to increased monitoring on the FATF's Grey List are especially concerned with boosting awareness and competency in detecting and preventing TBFC amongst practitioners.

In line with the Chapter's overarching mission to enhance local regional expertise and bridge public and private sector efforts, this reference text was created by world-leading experts with a specific focus on how TBFC methodologies are experienced in the MENA region. Despite this geographic focus, it has universal relevance to all practitioners who deal with the intricate, cross border sprawl of the trade system.

The guide aims to provide a single, accessible source of knowledge for compliance professionals, supervisory bodies, customs officials, and law enforcement agencies alike, to create aligned understanding of how the trade system can be abused, what methods are available to detect these abuses, and how that information can be deployed by the authorities to prevent further occurrences of trade-based financial crime.

The GCFFC MENA Chapter and the MENA FCCG developed this guide for the benefit of all professionals based in the region and further afield, concerned with protecting the integrity of the regional economy. Continuing their strategic partnership, both organisations are committed to bringing best in class TBFC training to the region under future initiatives.

A team of world-leading experts on illicit trade and TBFC issues worked on compiling this guide, including Project Co-Sponsors Collin Lobo (HSBC) and Scott Ramsey (Mashreq Bank), as well as: Nishanth Nottath (Mashreq Bank), Channing Mavrellis (Global Financial Integrity), Graham Baldock (Anglo Gulf Trade Bank), Amjad Batayneh (Arab Bank), Jonathan Brewer (King's College London), and Fahad Haque (HSBC).

GCFFC MENA Chapter Chair Ibtissem Lassoued said, "The launch of this bilingual reference guide marks the first significant step in the GCFFC MENA Chapter's ongoing efforts to deliver impact in the region's fight against financial crime since our launch in 2021. The guide offers a comprehensive introduction to advanced TBFC issues and clearly demonstrates how the trade system may be open to abuse by criminal actors. In so doing,

it presents a compelling case for why we should care about the ongoing fight against financial crime. This reference guide will form the foundation of our ongoing efforts to create an enduring, best-in-class learning resource for the anti-financial crime community in the MENA region.”

MENA FCCG Deputy Chair and GCFFC MENA Chapter Vice-Chair Michael Matossian also remarked, “Banks are required to effectively partake in the fight against financial crime while also facilitating legitimate trade business. We believe this guide will empower MENA banks as stewards of the financial system and proactive agents in the effort to deter the exploitation of trade transactions via better understanding of intrinsic exploitation elements and techniques.”