



CARIBBEAN FINANCIAL ACTION TASK FORCE

Report on Haiti

Meeting Date: November 2016

Providenciales, Turks and Caicos Islands

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Introduction

This document represents a brief report on the progress made by Haiti in its follow-up process. This report is necessary in-lieu-of the non-completion of a follow-up report for Haiti which would have been its 11th follow-up report.

Overall progress made since the 10th follow-up report

Of the 14 Core and Key Recommendations rated PC or NC in the Detailed Assessment Report, R 5, 13 SR II and IV as well as R 3, 26, 35, 40, SR. II and, III are still outstanding.

On September 30, 2016, Haiti provided the Secretariat with copies of draft Bills to: amend the 2013 Law Sanctioning Money Laundering and Terrorist Financing (LSMLTF); to establish and to organize l'Unité Centrale de Renseignements Financiers (Central Financial Intelligence Unit) (UCREF) as an autonomous administrative financial intelligence unit. On the same day Haiti provided the Secretariat with a copy of the Official Gazette of Haiti, dated August 22, 2016, which, among other things, published the Decree establishing procedures for the implementation of measures aimed at freezing funds and other assets connected with the financing of terrorism. Haiti reported that the amendment to the LSMLTF was adopted by the Chamber of Deputies on September 9th, 2016, and on September 28th, 2016 by the Senate. The draft Bill, bearing on the establishment and functioning of UCREF, was introduced to Haiti's Parliament on August 31st 2016, and adopted by the Senate on September 28th, 2016. At the time, it was unclear whether the measures proposed in the Bills provided to the Secretariat were adopted by the Senate, as detailed.

On Monday October 24, 2016, following a period of uncertainty brought about by the passage of hurricane Matthew, Haiti reported that the amended LSMLTF was enacted, with the identical measures as proposed in the Bill, gazetted on October 13, 2016, and is available in French. Haiti has been expediting the translation of this law to English and has promised to provide the Secretariat with a copy when it is completed.

In the absence of the translated amended LSMLTF, a brief analysis of the measures proposed in the Bill was undertaken and the following is noted:

- i. Article 1 will positively affect Special Recommendations II and IV;
- ii. Article 2 will positively affect Special Recommendation I;
- iii. Article 3 will positively affect Recommendation 1 and 13;
- iv. Article 5 will positively affect Recommendation 5 (R. 5.7);
- v. Article 6 will positively affect Recommendation 5;
- vi. Article 7 will positively affect Recommendation 7;
- vii. Article 9 will positively affect Recommendation 22;
- viii. Article 10 will positively affect Recommendation 9;

Regarding the Decree establishing procedures for the implementation of measures aimed at freezing funds and other assets connected with the financing of terrorism, Special Recommendation III is now positively affected because of the measures.

Conclusion

Haiti has made a concerted effort to enact legislation to address the remaining shortcomings whilst the Decree published in August 2016 has had a very positive effect on the Jurisdiction's ability to implement the obligations anticipated at Special Recommendation III.

Haiti provided, on September 30th, 2016, the certified translated copy of the amendment Bill to the Act of November 11th, 2013, (LSMLTF), in the version voted by the Lower Chamber. On October 21st, Haiti informed the Secretariat that the Bill was adopted by the Senate in identical terms, hence final adoption, pending enactment of same by its publication in the Official Gazette. However, given policies of the CFATF, consideration could not be given to the translated text provided until notification and conveyance of the Gazette on October 28th, 2015.

The status quo was maintained and Haiti was asked to report to the May 2017 Plenary.

CFATF Secretariat
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