



PRESS RELEASE

LAUNCH OF THE MONEY LAUNDERING AND TERRORISM FINANCING NATIONAL RISK ASSESSMENT REPORT

The Central Bank of Kenya (CBK) welcomes the launch today, of the *Money Laundering and Terrorism Financing National Risk Assessment Report (NRA)*. The main objective of the NRA was to identify, understand and assess Kenya's Money Laundering (ML) and Terrorism Financing (TF) risks at a national and sectoral level.

The NRA was carried out by a Taskforce gazetted in 2019, through a consultative process aligned to international Anti-Money Laundering/Combating Financing of Terrorism (AML/CFT) standards, involving both the public and private sectors. CBK was honoured to support the Taskforce as its Joint Secretary with the Financial Reporting Centre.

The NRA report notes that Kenya has a relatively robust AML/CFT legal and institutional framework that is largely aligned to international standards. Additionally, it identifies some gaps in the framework. The findings of the report will inform the strengthening of Kenya's AML/CFT regime, as contained in the **National AML/CFT Strategy and Action Plan (Strategy and Action Plan)** issued concurrently with the report.

The NRA assessed the banking sector as having the highest impact on Kenya's ML/TF risk profile due to the pivotal role it plays in facilitating payments, trade and investments in Kenya and the region. CBK as the primary regulator of the sector has worked with other players over the years to strengthen its AML/CFT supervisory and regulatory framework. This includes by issuing [Guidance on AML/CFT Institutional Risk Assessment](#) by banks in 2018. In addition, CBK conducted a [demonetization exercise](#) in 2019, of the old generation Ksh.1,000 note to address the grave concerns of illicit financial flows and counterfeits.

CBK is committed to continue working with the sector and other players in implementing the actions indicated in the Strategy and Action Plan to strengthen the banking sector AML/CFT supervisory and regulatory framework. This will play a critical role in maintaining and enhancing Kenya's standing as a premier financial services hub in Eastern Africa.

CENTRAL BANK OF KENYA

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