

U.S.-Africa Partnership on Illicit Finance: U.S. Action Plan

Under the U.S.-Africa Partnership on Illicit Finance, participating countries commit to developing National Action Plans that include concrete steps each country will take to address corruption and other forms of illicit finance. As part of its obligation under the Partnership, the United States commits to undertake a number of actions to promote transparency, combat corruption and the loss of government revenues to criminal activity, and promote accountability, including through the involvement of civil society and the private sector. These actions are primarily focused on (a) protecting the U.S. financial system from abuse and (b) helping African countries prevent and respond to financial crimes such as corruption. The actions described below build on existing U.S. efforts in these areas.

By December 2016, the United States pledges to:

(1) Promote transparency

1. Advocate for legislation that requires the collection of beneficial ownership information for all legal entities formed in the United States and makes such information readily available to law enforcement for money laundering and terrorist financing investigations.
2. Engage U.S. financial institutions on the effective implementation of new regulations that clarify and strengthen their customer due diligence obligations, including a requirement to identify beneficial owners of certain customers that are legal entities.
3. Advance the adoption of a proposed regulation that would close a loophole in U.S. laws that has allowed foreigners to hide assets or financial activity behind anonymous entities established in the United States. This rule will require certain foreign-owned entities that are “disregarded entities” for tax purposes, including foreign-owned single-member limited liability companies, to obtain an employer identification number with the Internal Revenue Service, and will build on the success of other efforts to curb the use of foreign entities and accounts to evade U.S. tax.
4. Advocate for the approval and amendment of various pending tax treaties that would help crack down on offshore tax evasion and would allow the United States to obtain information about financial accounts in other countries.
5. Advocate for proposed legislation that would expand the scope of the current Financial Crimes Enforcement Network’s (FinCEN) Geographic Targeting Orders (GTO) authority, which is currently limited to currency and other monetary instruments, to encompass wires and other fund transfers. Use the information generated from recent GTOs to better understand the risk that corrupt foreign officials, or transnational criminals, may be using premium U.S. real estate to secretly invest millions in dirty money, and determine appropriate next steps. In January 2016, FinCEN issued GTOs valid for 180 days that require U.S. title insurance companies to identify the natural persons – or beneficial owners – behind shell companies used to pay “all cash” for high-end residential real estate in Manhattan and Miami-Dade County, Florida.

6. Establish a roadmap (by January 2017) for enabling public disclosure of the beneficial ownership of oil, mining, and gas companies by 2020.
7. Leverage digital technologies and stakeholder feedback to improve the effectiveness of the public procurement and grants systems and foster openness and competition. This includes modernizing the online environment in which contract opportunities can be found and where grant programs are catalogued, and establishing a transparent process to explore alternatives for how Federal awardees are identified.
8. Ensure the 11 Federal agencies that play a significant role in the permitting, review, funding, and development of large-scale infrastructure projects develop coordinated project review schedules and post them publicly on the Federal Infrastructure Permitting Dashboard. Expanding use of the Dashboard to infrastructure projects involving complex permitting processes and significant environmental effects will, inter alia, increase the transparency and accountability of the Federal permitting and environmental review process.
9. Work towards implementation of the principles of the Open Contracting Data Standards, which are among the highest in the world and a model for other nations seeking to improve procurement processes.
10. The United States is committed to implementing a strong rule for Section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act that advances our foreign policy interests in promoting transparency and combatting corruption globally.

(2) Combat corruption and the loss of government revenues to criminal activity

1. Continue to cooperate with African and other governments to investigate corruption, to identify and work to recover the proceeds of crime, and to dispose of the same for the benefit of those harmed by acts of corruption. This pledge will include continuing to seek asset recovery through the Kleptocracy Asset Recovery Initiative and providing financial and other support to multilateral partners including the United Nations (UN) Office on Drugs and Crime, the Stolen Asset Recovery Initiative, and INTERPOL, and will be undertaken in a manner consistent with national laws and the UN Convention against Corruption.
2. Continue vigorous enforcement of the Foreign Corrupt Practices Act. Encourage, bilaterally and through international organizations, such as the Organization for Economic Cooperation and Development's (OECD) Working Group on Bribery, the G7, and the G20 Anticorruption Working Group, greater detection, investigation and prosecution of foreign bribery worldwide.
3. Strengthen information collection on kleptocratic networks and systems to better inform U.S. assistance, diplomatic engagement, and enforcement actions. This includes the application of Presidential Proclamation 7750 and other visa legal authorities to deter

individuals and companies from engaging in corruption and using the United States as a safe haven to hide the proceeds of corruption

4. Explore ways to further integrate anticorruption goals into sectoral programs (security, health, etc.) managed by the U.S. Government. This includes support for the Security Governance Initiative, which focuses on strengthening the accountability and effectiveness of security sector partners in Africa.
5. Work with other development partners (donors, recipients, implementers, and civil society) to forge, and seek to implement, a set of commitments regarding do-no-harm best practices for avoiding corruption and leakage in foreign assistance in Africa. This pledge will enhance the sharing by donors of lessons learned regarding anti-corruption approaches and programs in Africa, and lead to increased coordination of such assistance.
6. Partner with African countries to develop and advance strong anti-corruption, anti-money laundering, and financial transparency commitments in Open Government Partnership National Action Plans.

(3) Combat impunity and promote accountability, including through the involvement of civil society and the private sector

1. Work with G-7 and other partners to improve assistance to African governments for negotiating complex contracts with the private sector to promote the adoption of higher quality agreements.
2. Support legislation to strengthen our ability to fight transnational corruption, including by enhancing law enforcement's ability to prevent bad actors from conceding and laundering illegal proceeds of transnational corruption and allowing U.S. prosecutors to more effectively pursue kleptocracy cases and prosecute money laundering as part of foreign corruption.
3. Work to significantly increase U.S. technical assistance for tax and fiscal management capacity in developing countries, particularly less-developed countries. Take steps to expand U.S. capacity building efforts and development assistance focused on anti-corruption.
4. Facilitate the display, in a unified view, of the integrity information of Federal contractors and grant recipients. For contractors, this will include additional information on labor violations, identification of parent and subsidiary organizations, and information about corporate contractor performance in order to give acquisition officials a comprehensive understanding of the performance and integrity of a corporation in carrying out Federal contracts and grants.
5. Work to ensure that confiscated assets are disposed of in a manner that is transparent, is accountable, and, where appropriate, benefits those harmed by acts of corruption.

6. Release a National Action Plan to promote and incentivize responsible business conduct consistent with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines on Multinational Enterprises.
7. Work to establish a new global anti-corruption consortium to support the critical work of investigative journalists and civil society networks in driving public demand for political will and informing action by local and U.S. law enforcement. Recognize and support the independence of civil society organizations working to uncover illicit networks across borders and, as appropriate, facilitate cooperation with them on law enforcement and asset recovery efforts.
8. Work with other countries, civil society, business, and international organizations to promote more effective implementation of the UN Convention Against Corruption.
9. Work with the Extractives Industry Transparency Initiative (EITI) Multi-Stakeholder Group (MSG) to define tiers of subnational engagement, including working with state and tribal governments to formally nominate representatives as members of the MSG and encouraging enhanced integration of state and tribal information into U.S. EITI reporting. Create and implement a process to conduct stakeholder outreach and assessment of issues related to disclosure of forestry revenues.

The United States also pledges to assess its progress towards implementation of these listed actions, and to update this Action Plan accordingly.