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| --- | --- |
| **Name of Donor** | **Name of Project** |
| **European Union (EU)** | Maritime Security (MASE) Programme  |
| **Grant start date**:  | 27th July 2014 |
| **Grant End date:** | 30th May, 2020 |
| **Grant Amount:** | USD 6,541,680 |
| **Disbursed before current year:** (2019) | USD 5,545,724 |
| **Balance:** | USD 995,955 |
| **Disbursed in 2019**:  | Nil |
| **Balance yet to be disbursed:** | USD 995,956 |

1. **Brief about the programme**

**Overview**

The Common Market for Eastern and Southern Africa (COMESA) Secretariat, with the financial support from the European Union is implementing a Regional Maritime Security (MASE) programme. The programme is jointly implemented by four Regional Organizations including Inter Governmental Authority on Development (IGAD), East African Community (EAC) and Indian Ocean Community (IOC), each with own unique focus. COMESA MASE component is mandated to develop regional capacity in the Eastern and Southern Africa and Indian Ocean (ESA-IO) region to disrupt financial networks and their financiers. The programme currently covers Burundi, Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Mauritius, Seychelles, Somalia, Tanzania and Zambia.

In ensuring a holistic approach, COMESA is implementing an anti-money laundering programme, which shall ensure that the regional capacity is strengthened enough towards curbing all sorts of illicit financial flows, emanating from various financial crimes. In this regard, four result areas were developed to ensure that all relevant anti-money laundering stakeholders are supported. These include enhancing analytical capacity of Financial Intelligence Units (FIUs) and their analytical tools, developing information sharing mechanisms both domestically and internationally, strengthening anti-money laundering laws in line with the prevailing Financial Action Task Force (FATF) international standards and enhancing capacity of Law Enforcement Agencies to successfully investigate and prosecute money laundering and other financial crimes.

The programme demands close collaboration with programme countries and relevant authorities and stakeholders to ensure that countries’ needs are well represented and wide encompassing. Support to the programme countries depends on their respective unique needs. It ranges from sensitization workshops, training (national and regional), support in reviewing or drafting laws, purchase of ICT related equipment and analytical software, development of electronic platform for information sharing, attachments of officials from weaker jurisdictions to stronger jurisdictions of similar mandates, among others

1. **Overview of 2019 programme and expenditure implementation**

Activities between January and June 2019 focused on sensitizing reporting entities (microfinance institutions) and border personnel on illicit financial flows and money laundering issues, including their respective obligations in line with national laws and international standards, finalization of numeric platform for information sharing amongst stakeholders, training of FIU analysts in strategic analysis, hiring consultant to carry out capacity needs assessment of law enforcement agencies, supporting Mutual Evaluation, capstone workshop jointly organized by COMESA and INTERPOL (the programme’s implementing partner), collaborated with other organizations with similar mandates by participating in their meetings, and participation in other MASE meetings such as Ministerial and CGPS meetings.

Table 1, below presents expenditure incurred in the period in implementing the above activities

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No.** | **Budget Line Description [as in grant contract]** | **2018** | **2019** |  |
| **Actual** | **Original Budget** | **Actual: Six months** | **Forecast: Six months** | **Revised Forecast** | **% Budget Utilisation achieved** | **% Forecast Budget Utilisation** | **Proposed budget revision** |
| **12 months** | **12 months** | **Jan - June** | **July-Dec** | **Jan - Dec: 12 months** | **Jan - June** | **Jan - Dec: 12 months** |  |
| **Col 1** | **Col 2** | **Col 3** | **Col 4** | **Col 5** | **Col 6** |  **Col 7=5+6** | **Col 8=5/4** | **Col 9=7/4** |  |
|   |   |  |  |  |  |  |  |  |  |
| **1** | **Staff Emoluments and Development Costs** | 542,319.00 | 600,158.00 | 145,435.00 |  172,662.00 | 318,087.00 |  46 | 100 | - |
| **2** | **Technical Support and Capacity Building** | 524,923.00 | 1,532,456 |  330,975.00 | 462,124.00 | 793,099.00 |  42 | 100 | - |
|  | **Total** | **1,067,242** | **2,132,614** | **476,410.00** | **634,786.00** | **1,111,186.00** | **43** | **100** | **-** |

As reflected in the above table, budget utilisation during the first half of the year was USD 476,419.00 representing 46% of the 2019 budget. In the Second half of the year USD 634,786.00 is expected to be spent on worksheets, trainings, and consultancies in the member states.

Budget outturn for the first quarter was 43% and this can largely be attributed to the pending disbursement from the EU in 2019. It is expected that the budget outturn will be over 80% by the end of 2019.

1. **Risk Management**

No significant risks were experience during implementations. Considering this is the final workplan of the programme two issues which can be worthy reporting are as follows:

1. Changing of priorities leading to countries opting to substitute their requests for support
2. Some countries had national activities, which led to changing already set dates for delivery of the programme support
3. **Recommendation**

The above considered, continuation of frequent engagements with programme countries would be the only way to ensure amendments of support needed and delivery of planned activities is timely.