

GI-TOC RESPONSE TO THE PRESS RELEASE OF AMAL EXPRESS

12 October 2020

The Global Initiative Against Transnational Organized Crime (GI-TOC) takes note of the 9 October 2020 press release by the UAE-based money transfer operator (MTO) Amal Express concerning a September 2020 GI-TOC report (“Following the money: The use of the hawala remittance system in the Yemen–Somalia arms trade”). In its statement, Amal Express disputes the authenticity of a remittance slip published by GI-TOC that details an October 2019 financial transfer to an individual under U.S. Treasury sanction for alleged support to Al-Qaida in the Arabian Peninsula and Islamic State in Yemen. A similar claim was made in a press release by the UK-based MTO Iftin Express on 22 September 2020.

GI-TOC stands by the accuracy of the report’s findings and the authenticity of the remittance slip disputed by Amal Express. The research process involved the years-long collection of hundreds of MTO remittance receipts, including 63 relating to transactions conducted through Amal Express. The remittance receipts were supplied by multiple independent sources who were well-placed to guarantee their authenticity.

Amal Express’ statement contains further inaccuracies, including the assertion that the company presented evidence to the report’s author of the alleged “forgery” of the remittance slip prior to publication. On 11 July 2020, over two months prior to the release of its report, GI-TOC interviewed a senior representative of Amal Express, at which time the representative was informed of the October 2019 transfer to the U.S. Treasury designee. Following this conversation, GI-TOC emailed Amal’s representative with details of the transaction and offered the opportunity for the company to add further comment. GI-TOC received no subsequent communication from Amal Express either prior to or following the publication of the report.

Amal Express’s statement also inaccurately claims that the GI-TOC report implicated the company in facilitating transfers to individuals on an unspecified “UN Black List”. As noted above, the report published evidence of a single transfer via Amal Express to an individual under U.S. Treasury sanction. At no point was Amal Express, or any other MTO named in the report, accused of violating UN sanctions.

As noted in GI-TOC’s report, ‘hawala’ MTOs comprise vast networks of independent agents. As a result, parent companies may often be unaware of lapses in anti-money laundering/countering the financing of terrorism (AML/CFT) compliance amongst its agents or franchisees. GI-TOC stands ready to meet with representatives of Amal Express and/or Iftin Express to share the details of the report’s findings and its recommendations on addressing AML/CFT compliance gaps.

GI-TOC remains cognizant of the critical role played by MTOs in providing remittance lifelines to vulnerable populations in Somalia and other fragile environments. Towards this end, we continue to engage with MTOs, Somali financial regulators, and Somalia’s donor partners in order to help strengthen financial systems in Somalia and prevent their abuse by criminal actors.