Strategic Analysis Report

2025-2026

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List of Abbreviations and Acronyms

Acronym	Meaning
AML	Anti-Money Laundering
BOP	Balance of Payments
CASP	Crypto Asset Service Provider
CDD	Customer Due Diligence
CFT	Counter-Financing of Terrorism
CTR	Cash Threshold Report
DNFBP	Designated Non-Financial Business and Profession
EFIC	Eswatini Financial Intelligence Centre
ESAAMLG	Eastern and Southern Africa Anti-Money Laundering Group
FIU	Financial Intelligence Unit
FOREX	Foreign Exchange
KYC	Know Your Customer
MVTS	Money or Value Transfer Services
NRA	National Risk Assessment
SACCO	Savings and Credit Cooperative Organisation
STR	Suspicious Transaction Report
SZL	Swazi Lilangeni
TBML	Trade-Based Money Laundering
TIN	Tax Identification Number
ZAR	South African Rand

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Foreword

This Strategic Analysis Report 2025/2026 presents a consolidated view of Eswatini's financial crime risk landscape and the key intelligence trends observed during the reporting period. It draws on suspicious transaction reporting, cash threshold data, cross-border activity, dissemination outcomes and operational intelligence to support informed decision-making across the national AML/CFT framework.

The findings highlight persistent and emerging risks linked to high cash usage, cross-border transfers, tax evasion, money laundering, transaction structuring, trade-based laundering, mobile-money activity, virtual assets and illicit cigarette smuggling. These risks require a coordinated, intelligence-led response from reporting institutions, supervisors, law-enforcement agencies and other competent authorities.

I acknowledge the continued contribution of reporting entities, supervisory authorities, law-enforcement partners, border and revenue authorities, regional counterparts and EFIC staff. Their cooperation remains essential to strengthening financial intelligence, improving compliance and protecting the integrity of Eswatini's financial system.

It is my hope that this report will serve as a practical resource for decision-makers, supervisors, reporting entities and law-enforcement partners as they prioritise risks, improve controls and pursue more effective disruption of illicit financial activity in the 2026/2027 period and beyond.

Babhekile Matsebula

Director General-EFIC

Executive Summary

This Strategic Analysis Report presents an integrated assessment of Eswatini's financial crime risk landscape for the 2025/2026 reporting period. It consolidates macro-financial intelligence, Suspicious Transaction Reports analysis, Cash Threshold Reports data, cross-border foreign exchange activity, dissemination outcomes, and observed typologies to support evidence-based AML/CFT policy, supervision, compliance, and enforcement action.

During the reporting period, EFIC received 5,076 STRs, an 8.4% decrease from 2024/2025 but a 23.4% increase against the 2021/2022 baseline. Reporting remained concentrated in the banking sector, which accounted for 71.57% of filings, followed by Money or Value Transfer Services at 21.1%. Tax evasion and money laundering were the leading suspicion categories, with cash deposits, unverifiable source of funds, profile inconsistency, cross-border transfers, structuring and layering emerging as the most frequent indicators.

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1. Introduction

This Strategic Analysis Report is intended to enhance the effectiveness of the country's Anti-Money Laundering and Counter-Financing of Terrorism measures across the Kingdom. Strategic analysis complements operational analysis by focusing on broader systemic trends, vulnerabilities, reporting behaviours, and emerging threats rather than individual case targets alone.

The EFIC is the central agency for receiving and analysing STRs, disseminating intelligence to law enforcement and regulatory authorities, facilitating domestic and international cooperation, supporting the prevention and detection of financial crimes, and protecting the confidentiality of information received. This report contributes to that mandate by translating financial intelligence data into strategic findings for analysts, management, regulators, reporting institutions, law enforcement partners, and external stakeholders.

2. Scope, Data Sources and Methodology

The report covers the fiscal year from April 2025 to March 2026. Geographic coverage is centred on the Kingdom of Eswatini, with cross-border analysis focused primarily on the Common Monetary Area and neighbouring jurisdictions, particularly South Africa. Institutional coverage includes accountable institutions under Schedule 3 of the Money Laundering and Financing of Terrorism (Prevention) Act, 2011, as amended.

Primary data sources include STR filings, CTR submissions from banks, and casinos, cross-border FOREX transaction records from authorised dealers, physical cash declaration data, dissemination records, and international cooperation information. Secondary sources include National Risk Assessment findings, ESAAMLG mutual evaluation materials, supervisory information, and law enforcement intelligence sharing.

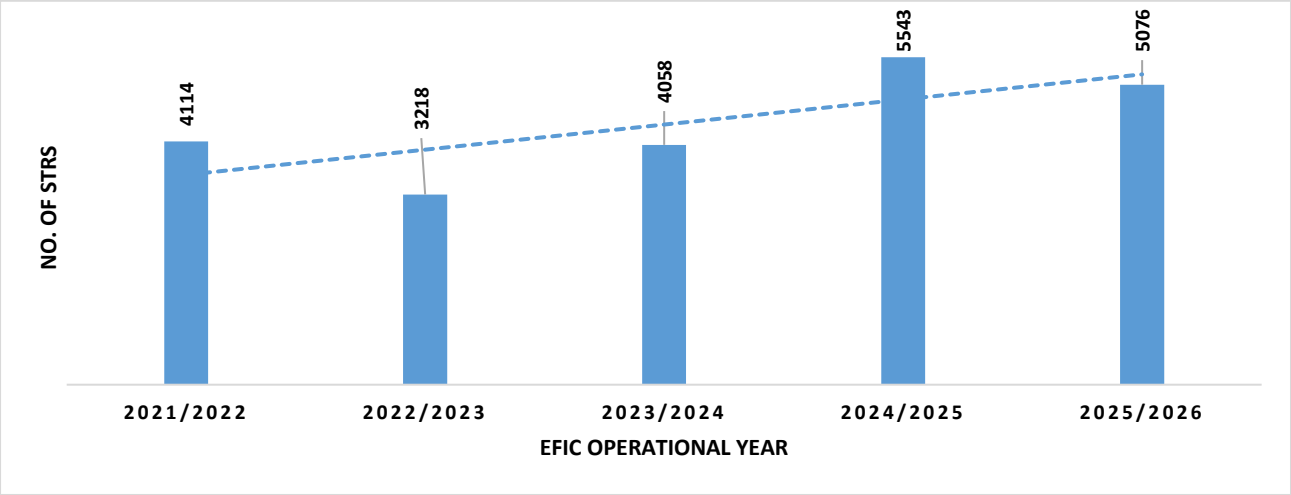
The methodology followed five steps and data was processed through EFIC's analytical environment, supported by automated quality checks and manual review.

Methodology Process Diagram				
1. Trend Analysis Review past and current reporting trends	**2. Risk Identification** Identify emerging risks, threats and vulnerabilities	**3. Recommendations** Develop strategic recommendations	**4. Effectiveness Review** Review reporting and detection effectiveness	**5. Stakeholder Engagement** Engage with stakeholders and validate insights

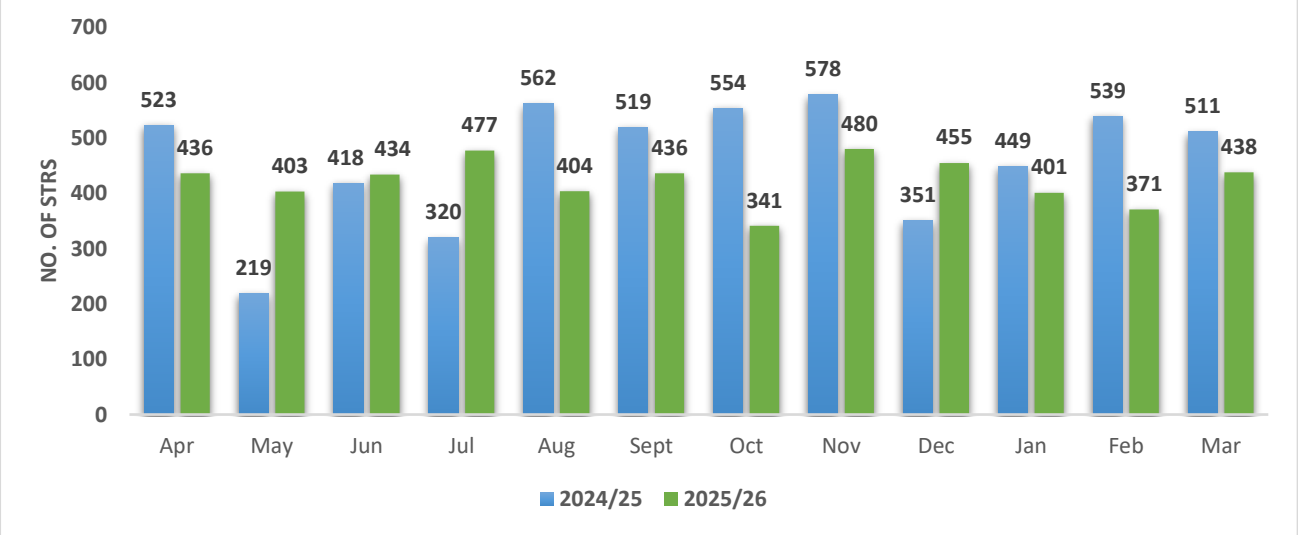
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3. Statistical Overview of STR Reporting

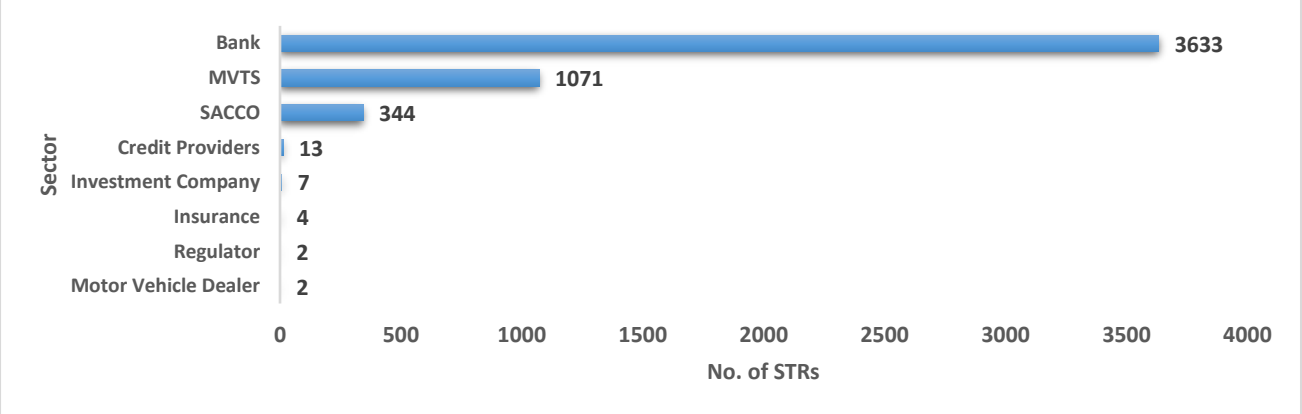
3.1 STR Volume and Monthly Filing Trends



During the 2025/2026 reporting period, EFIC received 5,076 Suspicious Transaction Reports, representing an 8.4% decrease from the previous year's 5,543 but still a 23.4% increase over the 2021/2022 baseline of 4,114. Monthly filings in 2025/26 ranged from 341 (October, the lowest) to 480 (November, the highest). The overall upward trend since 2021/2022 suggests improving compliance awareness among reporting entities, though the year-over-year dip warrants monitoring.



3.2 STR Distribution by Reporting Entity Type



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The banking sector dominates STR filing at 71.57% (3,633 reports), followed by Money or Value Transfer Services at 21.1% (1,071 reports). SACCOs contributed 6.8%. Collectively, other reporting sectors, including credit providers, insurance companies, investment firms, motor vehicle dealers, and supervisory authorities, submitted a relatively small proportion of STRs accounting for less than 1% of all filings. The distribution of reporting across sectors highlights the central role played by financial institutions in the detection and reporting of suspicious activities. At the same time, the comparatively low level of reporting from several non-bank sectors underscores the importance of continued engagement, awareness-raising, and capacity-building initiatives to strengthen understanding of reporting obligations and support effective implementation of AML/CFT requirements across all reporting entities.

3.3 Sectoral Trends and Predicate Offence Indicators

Banking Sector: Predicate Offences and Indicators

The banking sector accounts for 71.57% of all STRs (3,633 reports), serving as the primary channel for detecting financial crime across the Kingdom.

Dominant Predicate Offences and trends

- Tax evasion (84%): personal accounts used for undeclared business with turnovers 10x–77x above declared income
- Money laundering (77%): layered transactions, structured deposits, and rapid cross-border transfers
- Account takeover (16%): unidentified third-party controlling account holder's account and identity fraud across personal banking accounts
- Gambling, cryptocurrency, and fraud (7% each): use of online platforms for crypto trading, and forged documentation
- Drug trafficking: large cash deposits inconsistent with self-employed profiles in high-risk geographic areas

Key detection indicators:

- unverifiable source of funds at 66%
- cash deposits at 59%
- profile inconsistency at 55%
- layering activity at 25%
- structuring at 23 percent.

Key Typologies Observed:

- Large, structured cash deposits followed by immediate cross-border outflows
- Personal account misuse concealing business turnover to evade tax
- Cross-border layering through multiple intermediary accounts
- Money mule networks receiving and forwarding funds without business rationale
- Foreign Crypto Asset Service Provider-linked flows growing from 26 STRs (2020/21) to 370 (2024/25) and finally 163 in (2025/26).
- Mortgage products used to integrate illicit cash proceeds

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MVTS Sector: Predicate Offences and Indicators

The MVTS sector contributes 21.1% of STRs (1,071 reports), driven by money remitters and cross-border transfer operators including domestic fintechs.

Dominant Predicate Offences — Illicit cigarette smuggling was most prominently observed in the MVTS sector and is treated as a priority sectoral threat because the related financial activity was executed mainly through mobile-money wallets and agent networks.

- Illicit cigarette smuggling: mobile-money wallets and agents used to receive retail and wholesale proceeds from cigarettes believed to have been imported from Mozambique and resold in Eswatini.
- Money laundering: rapid movement, aggregation, structuring and layering of suspected smuggling proceeds through personal wallets, agent accounts, cash withdrawals and transfers to collaborators.
- Customs and excise violations and tax evasion: suspected avoidance of import controls, duties and tax obligations, including payments connected to border corridors.
- Cross-border illicit flows: movement of value between Eswatini and Mozambique through informal wallet networks and cash-intensive settlement channels.
- Transaction structuring: splitting deposits, withdrawals and transfers into repeated lower-value transactions across different days, users and agents to reduce detection.

Key Typologies Observed

- Smuggling-proceeds aggregation: numerous cash deposits and person-to-person payments from dispersed counterparties are consolidated into a small number of personal mobile-money wallets.
- Agent-enabled cash conversion: personal wallets transfer value to selected or related mobile-money agents, followed by frequent structured cash withdrawals, including use of an agent's own or controlled outlet.
- Network redistribution: funds are sent to collaborators whose wallets predominantly cash out, obscuring the relationship between cigarette sales, distributors and suppliers.
- Border-corridor settlement: mobile-money funds are used for payments at or near border posts and for onward settlement to persons linked to supply routes from Mozambique.
- Product-linked payment references: transaction narratives may include cigarette brand references or other coded descriptors indicating payment for illicit tobacco products.
- Personal allowance abuse: 43–64 cross-border gift transfers per person per month.
- Structured remittances: where different transaction purpose categories were used to bypass controls.
- Rapid fund cycling: quick movement through mobile-money and remittance platforms, including splitting transactions across multiple agents.

SACCOs: Offences and Indicators

SACCOs (6.8%, 344 STRs) account for 12.3% of filings. As member-based financial institutions, SACCOs play an important role in promoting financial inclusion, however some institutions face challenges with the application of CDD. These characteristics can increase exposure to risks associated with cash-intensive and informal economic activities, highlighting

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the importance of ongoing efforts to strengthen compliance and risk management frameworks across the sector.

Dominant Predicate Offences

- Tax evasion: individuals and informal traders using cooperative accounts to hide income
- Personal account misuse: business activity concealed through savings accounts
- Money laundering: illicit cash cleaning via cooperative accounts with rapid mobile wallet payments

Key Detection Indicators

- Profile inconsistency at 48%
- Turnover-versus-income gaps at 35%
- Multiple account use at 20%
- Unclear source of funds 18%

Key Typologies Observed

- Informal traders routing undeclared business income through SACCO accounts
- Frequent small cash deposits aggregating to amounts well above declared income
- Multiple account usage across institutions to avoid detection thresholds

Other Sectors: Reporting Gaps and Risk Profile

Five sectors collectively filed only 28 STRs (<1% of total), representing a critical reporting gap despite handling significant transaction volumes.

Sector Breakdown

• Credit Providers: 13 STRs (0.26%) — loan fraud and undisclosed debt indicators

• Investment Companies: 7 STRs (0.14%) — suspicious fund flows and layering

• Insurance: 4 STRs (0.08%) — potential premium fraud and policy manipulation

• Regulators: 2 STRs (0.04%) — supervisory referrals for further investigation

• Motor Vehicle Dealers: 2 STRs (0.04%) — cash purchases and trade-based risks

Systemic Under-Reporting Risk

• DNFBP sectors participate in significant areas of economic activity but lack proportionate reporting

• Low STR volumes do not indicate low risk; they indicate low detection capability

• Targeted training and enhanced supervisory engagement are urgently needed

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Full Predicate Offence Breakdown

Table 1: Top 10 Predicate offences per sector			
Predicate Offence	STR Count	% of STRs	Primary Sectors
Money Laundering	2,905	57.2%	Bank (90%), SACCO (8.7%),
Tax Evasion	2,866	56.5%	Bank (98.1%), MVTS (1.8%)
Fraud / Forgery	1,219	24.0%	MVTS (78.8%), Bank (18.2%)
Account Takeover	412	8.1%	Bank (100%)
Cryptocurrency	163	3.2%	Bank (100%)
Pyramid/Ponzi Scheme	151	3.0%	Bank (100%)
Drug Trafficking	92	1.8%	MVTS (31.5%), Bank (68.5%)
Corruption	89	1.8%	Bank (98.9%)
Theft	68	1.3%	Bank (85.3%)
Gambling	60	1.2%	Bank (96.7%)

** Across all 5,076 STRs in the 2025 data. One STR may flag multiple predicate offences, so percentages exceed 100%.*

This table presents the full predicate offence breakdown across all 5,076 STRs in the 2025/26 data sample. Money laundering is the most prevalent offence at 57.2 percent of STRs (2,905), followed closely by tax evasion at 56.5 percent (2,866). Fraud/forgery emerges as a significant third at 24.0 percent (1,219), driven predominantly by MVTS at 74.7 percent of fraud-flagged STRs. Account takeover appears in 8.1 percent of STRs (412), almost exclusively in the banking sector at 98.3 percent. Cryptocurrency, pyramid/Ponzi schemes, drug trafficking, and corruption each appear in 1.8 to 3.2 percent of STRs. Theft (1.3 percent) and gambling (1.2 percent) round out the top ten. The banking sector dominates most of the offence categories, while the MVTS sector leads in respect to fraud offences.

Table 2: Predicate Offence Co-occurrence Heatmap						
	Tax Evasion	Account Takeover	Fraud	Gambling	Crypto	Ponzi
Money Laundering (ML)	2,128	370	138	47	112	107
Tax Evasion (TE)	-	386	121	46	49	39
Account Takeover		-	13	3	1	1
Gambling			-	-	12	8
Corruption	58	-	58	-	-	-

This heatmap visualizes predicate offence co-occurrence across the 5,076 STRs in the 2025/26 data sample. The dominant pairing is money laundering and tax evasion, which co-occur in 2,128 STRs or 41.9 percent of all filings. Account takeover shows strong co-occurrence with tax evasion (386 STRs) and money laundering (370 STRs), confirming it frequently accompanies these primary offences. Fraud/forgery co-occurs with money laundering in 138 STRs and with tax evasion in 121 STRs. Cryptocurrency overlaps notably with money

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laundering (112 STRs) and with Ponzi schemes (107 STRs via money laundering). Corruption shows a distinctive pattern, co-occurring equally with tax evasion and fraud (58 STRs each) but showing zero co-occurrence with account takeover, gambling, crypto, or Ponzi. Gambling and cryptocurrency share an overlap of 12 STRs. The lower-right quadrant remains relatively sparse, indicating lesser-reported offences tend to cluster with the dominant ML/TE pair rather than with each other.

Key Insight: Money laundering and tax evasion co-occur in 2,128 of 5,076 STRs (41.9%), remaining the dominant offence pairing. Account takeover pairs strongly with tax evasion (386) and money laundering (370). Fraud shows notable co-occurrence with both ML (138) and TE (121). Corruption co-occurs equally with tax evasion and fraud (58 each).

4. Cross-Border Financial Analysis

Cross-border STRs and reports involving foreign nationals highlight Eswatini's exposure to transnational financial crime channels.

Cross-Border STR Metrics:

- 2,959 STRs (43% of total) involve cross-border transactions
- South Africa is the primary counterparty jurisdiction
- Cross-border reporting has grown steadily: 162 (2020) → 1,369 (2024)
- Aligns with FOREX data showing SA accounts for 60–88% of flow volume in cross border transactions

Foreign National Involvement

2,078 STRs (30%) involve foreign nationals as primary subjects. These foreign nationals from several jurisdictions featured in a number of STR narratives with the common pattern being foreign nationals operating undeclared businesses from personal accounts and account turnover often being 10x – 30x above declared income levels.

Crypto and Structuring Flags

• 163 STRs flagged for crypto/virtual asset involvement

• 983 STRs (14%) flagged for transaction structuring patterns

• CASP-related STRs growing: 26 (2020/21) → 370 (2024/25) →163 (2025/26)

• Most common platforms used Altcoin Trader in South Africa, and Bifinity (Binance) in Lithuania.

4.1 Cross-Border Cash Declarations

Physical cross-border cash monitoring serves as a critical frontline defence against transnational money laundering, cash-intensive shadow economy operations, and illicit financial networks within the Kingdom of Eswatini. This section provides an expanded, multi-point technical evaluation of physical currency declarations collected across key points of entry, including the Lomahasha border post, Mahamba border post, and King Mswati III (KMIII) International Airport during the 2025/2026 fiscal period.

The empirical data across all reporting channels highlights substantial regulatory vulnerabilities, network concentrations, currency diversification, and systemic data capturing gaps that align directly with the exposures identified in the Eswatini Money Laundering National Risk Assessment (NRA).

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Lomahasha Border Transit Corridor (June 2025 – March 2026)

The Lomahasha border post represents the highest-volume transit corridor for physical currency declarations during the reporting period.

Core Operational Metrics

- **Total Currency Volume:** A total of E189,429,040.00 in physical cash was declared at Lomahasha over the 10-month reporting period.
- **Declaration Velocity:** A total of 416 legally validated threshold declarations were processed (averaging E455,358.27 per transaction), all exceeding the statutory E25,000.00 reporting limit.
- **Extreme Directional Imbalance:** 99.95% of the total declared value (E189,339,040.00 across 414 declarations) moved as Inward Flows (Arrivals). Conversely, Outward Flows (Departures) accounted for 0.05% (E90,000.00 across 2 declarations).
- **Uniform Source Claims:** 100% of filings uniformly claimed "BUSINESS" as the underlying source of funds.

  * *Physical currency traffic through the Lomahasha transit corridor maintained a consistent, high-velocity baseline averaging close to **E19 million per month**, driven by seasonal trade surges.*

Key Risk Findings & Typologies

- **Severe Concentration Risk:** A single declarant network was responsible for 33.92% of all physical currency declared at Lomahasha (E64,251,210.00 across 53 declarations, averaging over E1.2 million per transaction). Name variations across reporting sheets indicated potential structuring/smurfing typologies to evade automated crossmatching.
- **High-Value Frequent Courier Concentration:** The top five networks at Lomahasha accounted for E104.1 million (55.0%) of total volumes (Network A: E64.25M; Network B: E14.99M; Network C: E10.37M; Network D: E10.26M; Network E: E4.65M).
- **Anomalous Outbound Departures:** Outbound declarations were rare (0.05%), with a single recurring declarant accounting for two transactions (E40,000.00 and E50,000.00) carried on foot, introducing personal security and asset flight risks.

Mahamba Border Station Outward Cash Declarations (Q4 FY 2025/2026)

Declarations collected at the Mahamba border post during the fourth quarter of the fiscal year (January – March 2026) reflect exclusively **outward cash movements (departures)**.

Core Operational Metrics & Monthly Velocity

- **Total Value Declared:** A cumulative total of ZAR/SZL 728,900.00 was declared across 12 individual outward transactions.
- **Directional Uniformity:** 100% of reported declarations at Mahamba were departures (outward flows).
- **Declared Purpose:** All filings cited "BUSINESS" as the source and purpose of funds.
- **Monthly Distribution:**
  - **January 2026:** 7 declarations totalling E512,000.00 (70.24% of Q4 Mahamba outflows).

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- **February 2026:** 2 declarations totalling E67,000.00 (9.19% of Q4 Mahamba outflows).
- **March 2026:** 3 declarations totalling E149,900.00 (20.57% of Q4 Mahamba outflows).

Key Risk Findings & Typologies (Mahamba)

- **High-Frequency Courier Outflows:** A single declarant conducted 4 separate outbound declarations between January and February 2026, removing a total of E260,000.00 in physical cash (35.67% of all outward funds declared at Mahamba during Q4).
- **Foreign National Capital Remittances:** Outbound cash movements feature foreign nationals moving physical cash across the border, pointing toward cash repatriation or informal supplier settlements bypassing formal banking rails.
- **Identity Document Inconsistencies:** Repeat declarants presented different identity documentation across trips demonstrating gaps in border database verification.

5. Predicate Offences and Typologies

The following predicate offences and typologies were prioritised based on prevalence in STR data, seriousness of offence, intelligence value, and relevance to Eswatini's financial crime risk landscape.

1. Money Laundering
2. Tax evasion
3. Fraud
4. Cross border illicit activity
5. Cryptocurrency
6. Drug Trafficking
7. Corruption and financial misconduct
8. Financing of terrorism

5.1 Money Laundering

Money laundering is the most prevalent suspicion reported. Key indicators include structured or frequent cash deposits, rapid cross-border or layered fund movements, activity inconsistent with customer profiles, turnover exceeding declared income, and personal accounts used for business. Common typologies include structuring, cash-intensive transactions, cross-border flows, and money mule networks.

5.2 Tax Evasion

Tax evasion is the second most prevalent predicate offence. Seventy-seven percent of tax evasion reports involve individuals, while 23 percent involve companies. Common red flags include personal accounts used to run businesses, turnover 10 to 50 times higher than declared income, frequent cash deposits inconsistent with profile, cross-border transfers to evade local oversight, use of multiple accounts across institutions, and undeclared business income routed through personal accounts.

5.3 Fraud

Fraud remains a significant predicate offence, encompassing misrepresentation of identity or business purpose, false payment instructions, forged documentation, account takeover and misuse, and transactions inconsistent with client profile. Also, the prevalence of the phishing

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fraud scams, commonly known as “facata scams”. Account takeover and misuse of financial products further compound the challenges faced by reporting entities.

5.4 Cross-Border Illicit Activity

Cross-border illicit activity involves two main typologies. Illicit cross-border fund flows account for 61 percent of related reports, while trade-based money laundering accounts for 39 percent. Funds are transferred mainly to South Africa, with key indicators including capital flight, trade-based laundering, smuggling-linked proceeds, and structuring of cross-border transfers. Complex international transfer chains involving multiple intermediaries make detection extremely challenging.

5.5 Cryptocurrency and Digital Financial Use

Cryptocurrency and digital financial use present growing risks in Eswatini, particularly in gambling and cross-border payments. High-risk areas include gambling platforms using cryptocurrency and cross-border payments outside formal channels. Medium-risk areas include peer-to-peer exchanges with limited KYC and unregulated digital wallets. The limited regulatory framework for virtual assets creates significant AML/CFT vulnerability.

5.6 Drug Trafficking

Drug trafficking remains a concern in Eswatini, with financial proceeds primarily laundered through cash-intensive channels. This is observed to happen through large unexplained cash deposits and rural geographic clustering of suspicious activity. Red flags include transactions inconsistent with declared income, rapid movement of funds across accounts, high cash deposit and withdrawal activity, and use of multiple accounts at different institutions.

5.7 Corruption and Financial Misconduct

Corruption and financial misconduct are linked to corporate accounts with abnormal turnover and use of shell structures to obscure ownership. Red flags include corporate accounts with abnormal turnover patterns, use of shell structures, unexplained wealth linked to public officials, and tender-related payments to connected entities or intermediaries. These facilitate the concealment of illicit proceeds and complicate beneficial ownership identification.

5.8 Illicit Cigarette Smuggling

Illicit cigarette smuggling emerged as a significant cross-border predicate offence and was most prominently committed through the MVTS sector. Operational intelligence indicates a supply corridor from Mozambique into Eswatini, with mobile-money wallets and selected agents used to collect proceeds from dispersed buyers and collaborators, consolidate large values, make border-related payments, conduct structured cash withdrawals, and transfer funds onward within the network. Reviewed cases showed high wallet turnovers, thousands of cash and person-to-person transactions, repeated use of selected agents, concentration around Lomahasha and other commercial centres, links to persons previously reported for suspected cigarette smuggling, and occasional payment references associated with cigarette brands. The pattern indicates possible offences involving smuggling, customs and excise violations, tax evasion, organised crime and laundering of proceeds.

5.9 Financing of Terrorism

A terrorism-financing case was reported. The scheme used a domestic bank to distribute illicit funds and conceal criminal proceeds through structured cash deposits and electronic funds transfers. Indicators included activist-linked individuals, repeated references to weapons and tactical equipment, and transactions presented as legitimate business activity to obscure the financing of terrorism-related weapons purchases.

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6. Disseminations

While the EFIC **does not engage in criminal investigations**, its intelligence products contributes significantly to the operational efforts of law enforcement agencies and other competent authorities. Dissemination remains a critical qualitative component in the fight against financial crime, ensuring that actionable intelligence reaches the appropriate competent authorities. During the period, 67% of the total disseminations were proactive disclosures and 33% of total disseminations were responses to requests to domestic institutions and international counterparts. Tax evasion dominated dissemination records, followed by fraud and money laundering.

Risk-based domestic cooperation strengthened national AML/CFT outcomes during the reporting period. EFIC shared relevant financial intelligence with the Eswatini Revenue Service to support action on potential tax crimes identified through suspicious transaction reporting. Feedback received indicated that the intelligence assisted revenue-protection measures, including taxpayer compliance actions, assessments, audits and selected enforcement processes. This demonstrates the value of converting private-sector reporting into actionable intelligence that supports inter-agency cooperation, protects public revenue and enhances the effectiveness of Eswatini's financial crime response.

7. Conclusion

The analysis identifies several areas of vulnerability within the national anti-money laundering and counter-terrorism financing framework, including challenges related to data integrity, cross-border financial flows, under-reporting by Designated Non-Financial Businesses and Professions (DNFBPs), transaction structuring, trade-based money laundering, casino-related cash activity, mobile money aggregation, and exposure to virtual assets. While the assessed risk of terrorism financing remains comparatively low, its potential impact warrants continued vigilance. Operational intelligence further indicates that illicit cigarette smuggling, particularly involving products sourced from Mozambique and distributed within Eswatini, constitutes a notable predicate offence associated with money laundering. The most significant exposure was identified within the Money or Value Transfer Services (MVTS) sector, where mobile money wallets and agent networks have been misused to aggregate proceeds, structure transactions, facilitate the movement of funds between associates, settle cross-border expenses, and transfer value to suppliers, thereby obscuring the origin and destination of illicit funds.

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