



MEMORANDUM FOR MEMBER OFFICES

Africa Anti-Kleptocracy and Asset Recovery Act of 2026

PREPARED BY: Tenet Ventures Group

FOR: Member offices considering co-sponsorship

STATUS: Pre-introduction — Committee Draft Rev. 1

1. The bill in one paragraph

The Africa Anti-Kleptocracy and Asset Recovery Act of 2026 closes the United States loopholes that make American real estate, banks, and shell entities preferred destinations for stolen African public money — and pairs that enforcement framework with a forward-looking architecture to extend dollar dominance in African digital payment markets. The bill is a single eight-title statute combining (i) sanctions and Magnitsky review of African politically exposed persons, (ii) restoration of Corporate Transparency Act reporting narrowed by the March 2025 FinCEN interim final rule, (iii) Kleptocracy Asset Recovery Initiative funding and a streamlined repatriation framework for certified reform governments, (iv) conditioning of AGOA, DFC, EXIM, and MCC benefits on reform certification, (v) enhanced civil and criminal penalties for U.S. enablers, (vi) a wholesale tokenized dollar settlement cooperation pathway with the Federal Reserve and GENIUS Act stablecoin payment corridors for U.S.-Africa trade and remittance, and (vii) \$235,000,000 in authorization over five fiscal years.

2. Why now

Three convergent forces define the moment:

GENIUS Act is law.

Public Law 119-27, signed July 18, 2025, created a complete federal regulatory framework for dollar-denominated payment stablecoins. Title VII operationalizes that framework for African corridors. The absence of U.S. action cedes the field to the BIS-led mBridge platform and Chinese-led alternative settlement systems. Within eighteen months we either define the standard or follow one.

Commercial diplomacy strategy is in motion.

Ambassador Troy Fitrell and the Bureau of African Affairs are executing a commercial-diplomacy strategy that prioritizes U.S. investment, trade, and partnership with African states. That strategy is undermined as long as the U.S. financial system remains the world's preferred destination for stolen African public money. This bill closes the back door so the front door can open.



Bipartisan precedent on illicit finance.

The AML Act of 2020, the AML Whistleblower Improvement Act of 2022 (P.L. 117-328), and the Corporate Transparency Act each passed with bipartisan support. The March 2025 FinCEN narrowing of the CTA created a legislative target around which both restoration-focused Democrats and rule-of-law Republicans can coalesce.

3. Political case

For Republican members

- Dollar dominance and strategic competition with China — Title VII extends the GENIUS Act framework to African markets, countering mBridge and Chinese-led alternative settlement systems.
- Enhanced criminal penalties for large-scale laundering — Title VI Section 602.
- Conditional foreign assistance — Title V cuts off AGOA, DFC, EXIM, and MCC benefits to governments that fail anti-corruption benchmarks.
- Whistleblower-driven enforcement — Title IV Section 404 enhances private-sector incentives rather than expanding the federal workforce.
- Sovereign immunity reform — Title VI Section 603 gives victim states a direct cause of action, reducing the burden on the Department of Justice.

For Democratic members

- Human rights and anti-corruption — Titles II and IV implement and extend the Global Magnitsky framework.
- Restoration of Corporate Transparency Act reporting — Title III Section 301 reverses the March 2025 FinCEN interim final rule.
- Civil society oversight of repatriation — Title IV Section 402 requires third-party audit and public reporting on the use of returned funds.
- African development partnership — Title V positions the U.S. as the partner of choice for reform-oriented African governments.
- Real estate transparency — Title III Section 302 makes the FinCEN Geographic Targeting Order regime permanent and nationwide.

Bipartisan common ground

- Closing money laundering loopholes that distort housing prices and undermine law enforcement.
- Annual congressional oversight reporting across Titles II, IV, and V.
- Modest cost — \$235,000,000 over five fiscal years against \$50,000,000,000+ in annual illicit financial flows from Africa.



4. Cost

Total authorization: \$235,000,000 over five fiscal years (FY27-FY31), averaging \$47,000,000 per year. Breakdown:

- Kleptocracy Asset Recovery Initiative (DOJ): \$75,000,000/year (\$375M total) — Title IV Section 401.
- StAR Initiative contribution (Treasury): \$20,000,000/year (\$100M total) — Title IV Section 401(c).
- OFAC implementation: \$50,000,000/year (\$250M total) — Title VIII Section 801(1).
- FinCEN beneficial ownership infrastructure: \$30,000,000/year (\$150M total) — Section 801(2).
- State certification and international coordination: \$15,000,000/year (\$75M total) — Section 801(3).
- Title VII implementation (Treasury and State): \$65,000,000/year combined (\$325M total) — Sections 801(4) and (5).

Asset recovery returns to the Treasury under existing forfeiture authorities are expected to substantially offset costs. Recent DOJ Kleptocracy Asset Recovery Initiative cases alone have returned hundreds of millions of dollars to victim states and the Treasury Forfeiture Fund.

5. Likely opposition and rebuttals

Real estate and trust services industries (Title III)

OPPOSITION: New compliance burdens; impact on transaction volume and closing times.

REBUTTAL: FinCEN's Geographic Targeting Orders have applied real estate beneficial-ownership reporting in major metropolitan areas since 2016. The bill makes that permanent and nationwide, but the regulatory framework, thresholds, and reporting mechanics are already understood by title companies and closing agents. The Secretary retains authority to set value thresholds and may exclude mid-market transactions.

Civil libertarians and privacy advocates

OPPOSITION: Expansion of politically-exposed-person screening; concerns about beneficial ownership database access.

REBUTTAL: PEP screening is targeted at foreign public officials only, not U.S. persons. The beneficial ownership reporting regime restored under Title III Section 301 is the regime Congress enacted in 2021 with bipartisan support. Information access remains controlled under the existing Section 5336(c) framework.

Banking industry

OPPOSITION: Enhanced BSA penalties (Title VI Section 601); enhanced SAR filing requirements (Section 203).

REBUTTAL: The enhanced penalties apply only to violations involving the proceeds of foreign official corruption — a narrow category that responsible institutions already screen



against under existing AML programs. Compliance vendor support is already commercially available.

Anti-CBDC coalition

OPPOSITION: Concern that Title VII opens the door to a retail central bank digital currency.

REBUTTAL: Title VII Section 702(c) expressly limits the scope to wholesale, institution-to-institution settlement and prohibits any retail digital dollar. Section 803(2) reinforces this as a general rule of construction. The provision is a tokenized wholesale settlement framework, not a CBDC program.

Mandatory minimum opposition (Section 602)

OPPOSITION: The five-year mandatory minimum for natural persons laundering more than \$10,000,000 of foreign corruption proceeds will draw opposition from sentencing-reform Democrats.

REBUTTAL — and fallback position: The provision targets only the highest-value cases (\$10M+). For sponsor offices that need additional flexibility, conversion to a sentencing enhancement (raising the statutory maximum and providing for an upward departure recommendation) is a workable fallback.

6. Coalition partners

Initial outreach is underway with the following categories of partners. Sponsor offices may request a current sign-on list at any time:

- Anti-corruption NGOs: Transparency International U.S., Global Witness, The Sentry, FACT Coalition, Open Society Foundations.
- Investigative journalism partners: ICIJ, OCCRP.
- Industry compliance vendors and stablecoin issuers.
- African diaspora organizations: Constituency for Africa, African Diaspora Network.
- Foreign policy think tanks: Atlantic Council Africa Center, CSIS Africa Program, Brookings Africa Growth Initiative.
- Diplomatic engagement underway with African embassies of states likely to qualify for certified reform government status.

7. What we are asking

For sponsoring or co-sponsoring offices:

- Review by Legislative Director and committee staff of jurisdiction.
- Pre-introduction coordination meeting with Tenet Ventures and lead coalition partners (one hour).
- Decision on co-sponsorship and on lead sponsorship of any title-specific introduction.



- Identification of a markup vehicle — standalone bill, NDAA amendment, or appropriations rider.

8. Contact

Tenet Ventures Group — Managing Director.

A section-by-section analysis, a full sponsor packet, and current coalition sign-on list are available on request.