

COUNCIL OF EUROPE

COMMITTEE OF MINISTERS

RECOMMENDATION No. R (80) 10

OF THE COMMITTEE OF MINISTERS TO MEMBER STATES ON MEASURES AGAINST THE TRANSFER AND THE SAFEKEEPING OF FUNDS OF CRIMINAL ORIGIN¹

*(Adopted by the Committee of Ministers on 27 June 1980
at the 321st meeting of the Ministers' Deputies)*

The Committee of Ministers, under the terms of Article 15.b of the Statute of the Council of Europe,

Considering the large number of acts of criminal violence such as hold-ups and kidnappings which are becoming more and more frequent in many European countries and the anxiety felt by the public in this regard ;

Considering that the transfer of funds of criminal origin from one country to another and the process by which they are laundered through insertion in the economic system give rise to serious problems, encourage the perpetration of further criminal acts and thus cause the phenomenon to spread nationally and internationally ;

Intent on co-ordinating and strengthening action by member states to combat this phenomenon and wishing to define an overall policy, for which there is now a vital need ;

Convinced that, within such an overall strategy, the banking system can play a highly effective preventive role, while the co-operation of the banks also assists in the repression of such criminal acts by the judicial authorities and the police ;

Convinced of the importance that must be attached to the need for banks to know in effect the persons with whom they have dealings ;

Convinced also that the recording of the serial numbers of bank notes entering into circulation as a result of a criminal act constitutes a useful if not indispensable means of detection,

Recommends that the governments of member states :

- a. arrange for the following measures to be taken by their banking system :
 - i. identity checks on customers whenever :
 - an account or a securities deposit is opened ;
 - safe-deposits are rented ;
 - cash transactions involving sums of a certain magnitude are effected, bearing in mind the possibility of transactions in several parts ;
 - inter-bank transfers involving sums of a certain magnitude are made, bearing in mind the possibility of transactions in several parts.

1. When the recommendation was adopted, the Representative of *Ireland*, in application of Article 10.2.c of the Rules of Procedure for the meetings of the Ministers' Deputies, reserved the right of his Government to comply with it or not.

These checks must be made on the basis of an official document or, where the relationship with the customer has been established through correspondence or through a third party, by equivalent means ;

ii. rental of safe-deposits only to persons or firms with whom the bank has already had dealings over a certain period or whom the bank can regard as trustworthy on the strength of references ;

iii. constitution of reserve stocks of banknotes whose serial numbers are made known to the authorities if the banknotes have been used in connection with criminal offences ;

iv. suitable training for cashiers, particularly in checking identity papers and detecting criminal behaviour ;

b. establish close national and international co-operation, *inter alia* with the help of Interpol, between banks and the appropriate authorities in exchanging information about the circulation of banknotes which have been used in connection with criminal offences and in following their movements ;

c. set up machinery enabling banks, either by systematic comparison or by spot-checks, to refer to the list of banknotes used in connection with criminal offences when notes are paid in.