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**EUROPEAN COMMITTEE ON CRIME PROBLEMS
(CDPC)**

**COMMITTEE OF EXPERTS ON THE EVALUATION
OF ANTI-MONEY LAUNDERING MEASURES
AND THE FINANCING OF TERRORISM**

MONEYVAL

25th PLENARY MEETING OF MONEYVAL

Strasbourg, 3 – 6 December 2007

MEETING REPORT

Memorandum
prepared by the MONEYVAL Secretariat
Directorate General of Human Rights and Legal Affairs

EXECUTIVE SUMMARY

During the 25th Plenary meeting, held in Strasbourg from 3 to 6 December 2007, on the occasion of its 10th Anniversary, MONEYVAL heard interventions from the Secretary General of the Council of Europe, the President of FATF, the Chairman of the Committee of Ministers' Deputies and the Chairman and former Chairmen of MONEYVAL. A structured discussion on the 'Risk Based Approach to Combating Money Laundering and Financing of Terrorism' was moderated by Professor Michael LEVI (United Kingdom). Presentations were also made on the EU 3rd Directive, by Mr. H. LAFERLA (Malta), Professor W. GILMORE (Legal Scientific Expert) and Mr. P. COSTANZO (European Commission). The plenary:

- Discussed and adopted the draft 3rd round report as amended (and subject to consequential editorial changes by the Secretariat) on Monaco and its draft summary.
- Adopted the 3rd round progress report on Latvia; took note of the 1st progress report on Montenegro; and invited Lithuania to amend its progress report and submit it to the 26th plenary.
- Agreed to move at this meeting to step 5 of the Compliance Enhancing Procedures (High level mission).
- Agreed that progress on the Moldovan Tax Amnesty Law was sufficient for the lifting of the Compliance Enhancing Procedures, though the Moldovan authorities were invited to report back on progress in the implementation of the National Bank Decision in their 2008 progress report.
- Adopted the revised mutual evaluation questionnaire for use in 2008.
- Heard information on AML/CFT initiatives in other fora.
- Heard a report on progress in respect of the two Typologies projects by the Chairman of the Working Group on Typologies and project leaders
- Heard information on AML/CFT initiatives in MONEYVAL countries (tour de table).

SUMMARY ACCOUNT OF THE MONEYVAL PROCEEDINGS

Items 1, 2 and 3 – Opening of the Plenary Meeting, Adoption of the Agenda and Information from the Chairman

1. The Chairman welcomed delegations to the 10th anniversary plenary, following which the Committee adopted the agenda as it appears in Appendix II.
2. The Chairman, Dr. Vasil KIROV (Bulgaria), drew attention to the room documents covering the Compliance Enhancing Procedures in respect of both Moldova and Azerbaijan and indicated that the Bureau would consider its recommendations to the plenary during this meeting and come back with proposals. He also drew attention to the amended 2nd round horizontal review which was also available as a room document. This document took into account the comments received by delegations. The horizontal review was formally adopted and it was indicated that it would be made available at a press briefing which would be conducted the following day by the Chairman and the Executive Secretary. The horizontal review would also be made available on the website as soon as possible. The Chairman also reminded delegations that a reception was offered to Heads of Delegations at 6.30 pm by the Bulgarian Permanent Representative.

Item 4 – Information from the Secretariat

4.1

3. The Executive Secretary indicated that the revised mandate had been adopted by the Committee of Ministers since the last meeting. It was available as a room document. The major changes were:
 - The name of the committee in para 1 now incorporates “financing of terrorism”.
 - The incorporation in para 4.ii of Directive 2005/60/EC (the 3rd EU Directive) and its implementing measures.
 - The qualifications for experts attending MONEYVAL at the expense of the Council of Europe in 5.A.i have been widened to include senior members of financial intelligence units separately from law enforcement officials.
 - Observers under 5.ci have been extended to any other FATF style regional body which “is or becomes” an Associate Member of FATF on the basis of reciprocity.
4. The Executive Secretary also indicated that the FATF President had on 21 October 2007 formally appointed Mr. Andrew STRIJKER (Kingdom of the Netherlands) and Mr. Corso BAVAGNOLI (France) to be full members of MONEYVAL for 2 years (with respective alternates).

4.2

5. The agenda for MONEYVAL activities in 2008 was introduced by the Executive Secretary. It had been previously circulated. The dates of evaluations for the first half of the year were fixed and the Secretariat invited Heads of Delegations to discuss timings for the remaining evaluations in 2008 with the Secretariat in the margins of the meeting.
6. The Armenia delegation had written to the Chairman requesting that the on-site visit scheduled for 2008 be conducted by the IMF. The Bureau had considered this proposal and

recommended to the plenary that this be accepted. The plenary agreed. A MONEYVAL evaluator will join the mission to cover the 3rd EU Directive.

4.3 Participation in other events

7. The Executive Secretary gave a brief account of his participation in the Anti Money Laundering Professionals Conference in London in September and 2 meetings in Brussels organised by DG Justice, Freedom and Security, and outreach to the OSCE.
8. Following an invitation of the United Nations Counter Terrorism Committee, one member of the MONEYVAL Secretariat participated in a visit of the UNCTC Executive Directorate (CTED) to Georgia and Armenia (16 to 28 September 2007). Both onsite visits lasted 1 week and were to a certain extent similar to MONEYVAL evaluations. The scope of these missions was primarily to monitor the implementation of UNSCR 1373 though the mission encompassed both terrorist financing and money laundering issues. The other team members came from the UNCTC Executive Directorate (CTED), the UNODC, the OSCE and Interpol. The CTED usually works in a legal team, a terrorist financing team and a law enforcement team. For Georgia and Armenia this was reduced to a "Legal and Terrorist Financing Team" and a "Law enforcement team". Similar to MONEYVAL evaluations, the evaluation team handed over on the last day of the onsite visit a document with preliminary findings to the authorities. The final reports of the UNCTC remain confidential.
9. Mr. Herbert LAFERLA (Malta) made a presentation in respect of his participation on the Committee's behalf in the ACAMs conference in Amsterdam in November.

4.4 Elections

10. The Executive Secretary explained that MONEYVAL needed to elect a Chairman and Vice Chairman during this meeting and 3 Bureau members. The procedures were explained and nominations were invited by close of business on Tuesday 4th December.

4.5 Questionnaire 2008 amendments to incorporate 3rd EU Directive (MEQ)

11. The current mutual evaluation questionnaire (MEQ) had been considered and revised by the secretariat, Herbert LAFERLA (Malta) and Paolo COSTANZO (EU Commission). The amendments were introduced by Herbert LAFERLA. It was emphasized that some questions only related to EU Member States and in that case it appears in a footnote that only EU Member States have to reply to the question. The revised MEQ was adopted by the plenary and it will shortly be posted on the MONEYVAL website in the English version.

Item 5 - Information on AML/CFT initiatives in other fora

5.2 Egmont group

12. The Egmont group had a working meeting in Kyiv. The Egmont Secretariat has been formally established in Toronto and started working from 1 November 2007. The next Egmont group meeting will be in March 2008 in Santiago, Chile. Currently the Egmont Group has 105 members; the membership of Bolivia has been suspended. The application of several countries is under consideration.

5.3 IMF

13. The IMF thanked the plenary for their decision on Armenia. It is in the process of sorting out the best timing for the onsite visit to Armenia. The report on Liechtenstein will soon be published. The IMF plans to run in March 2008 a training course in Vienna for financial sector supervisors; the agenda will probably focus on the risk based approach coupled with practical exercises. The IMF will get in contact with MONEYVAL and EAG members looking for nominations for that course.

5.6 Eurasian Group on Combating Money Laundering and Terrorist Financing (EAG)

14. The EAG took part in the joint mutual evaluation with FATF and MONEYVAL of the Russian Federation (1 member of the EAG Secretariat; 1 expert from Belarus participating as legal evaluator). In October, the EAG organised a typologies meeting in Central Asia and the reports will be presented at the EAG plenary meeting in China (10-15 December 2007). Several Seminars were held in Central Asian countries. India, Poland and Turkmenistan applied for observer status.

Items 6 and 20 Information on AML/CFT initiatives in MONEYVAL countries (tour de table)

15. **Albania:** Albania started a twinning project with Germany (Bundeskriminalamt and FIU) which is founded by the European Union and Albania. This project is planned for 2 years and encompasses numerous activities, mostly in Albania but also in Germany and the UK. The goal is to develop a mid-term and long-term AML/CFT strategy (improving the capacity of the Albanian FIU and the national co-ordination).
16. **Andorra:** The Andorra FIU increased its staff in the AML/CFT area and plans to improve its activities for 2008.
17. **Armenia:** At its 15th Plenary meeting, the Egmont group accepted the Armenian FIU as a new member. The Armenian FIU is now connected to the Egmont Secure Web Site which significantly improved information exchange with other FIUs. A new draft AML/CFT Law is in the phase of adoption; it has already been approved by Government and was introduced to Parliament hearings. It is anticipated that Parliament will adopt the Law in the first half of 2008. One of the core priorities remains the application of efficient AML/CFT procedures within financial institutions. For this purpose, the FIU analyzed AML/CFT-related internal regulations of financial institutions with a view to their compliance with domestic legislation and international best practices; financial institutions received feedback in the form of recommendations on further amendments to their regulations to ensure enhanced AML/CFT compliance. This exercise will be undertaken on a regular basis after the adoption of the new AML/CFT Law. The Financial Monitoring Centre (FMC) intensified its efforts towards organizing and coordinating AML-related trainings for the national stakeholders.
18. **Bulgaria:** reported on several issues:
- In November, Parliament adopted the “Law on Amendments of the Law on Measures against Money Laundering”. This Law implements the provisions of the 3rd EU AML Directive; amongst others it addresses the issue of “politically exposed persons”. It provides concrete cases when on the basis of a risk analysis simplified or enhanced measures have to be applied.
 - An amendment to the Law on money transfers, electronic payment instruments and payment systems will introduce a registration/licensing regime for persons conducting activities related to

money remittance – this amendment is supposed to cover the respective obligation of EU Member States imposed by Article 36 of the 3rd EU AML Directive. The Bill was approved by the Council of Ministers and it is already in Parliament. It is expected that this amendment will be adopted by Parliament till the end of 2007.

- From 1 January 2007 till 23 November 2007, the following money laundering cases occurred: 8 indictments; 10 convictions (9 final; 1 conviction has been appealed); 4 acquittals (1 final decision; 3 have been appealed by the prosecution office); 1 proceeding was terminated due to expiry of the prescription period (final); 1 conviction has been declared void by the Supreme Court of Cassation on request of the prosecutor due to the low level of penalty imposed on the convicted persons. The case was sent back to court for a new hearing. 59 pre-trial proceedings on money laundering are pending at the prosecution offices (including suspended cases); the number of persons accused by the prosecution offices is 30.
- From the end of March 2007 till 15 May 2007, the Financial Intelligence Agency (FIA) performed 24 checks. In the period 1 January – 30 September 2007, the FIA received 257 STRs; out of these, the FIA started 249 operational cases and 218 information letters were sent to the Ministry of Interior and the Supreme Cassation Office.

19. **Croatia:** The Ministry of Finance sent to the government a proposal for reorganizing the FIU. The new structure of the FIU will increase the number of positions from 22 to 36. The Croatian National Bank (CNB) drafted a new manual for supervision which includes also AML issues. Furthermore the CNB prepared AML/CFT guidelines for credit institutions and credit unions. The purpose of these guidelines is to provide best practices on AML issues for the period before the new AML law comes into force. The draft of these guidelines has been published on the CNB website and the banking sector has already commented on these draft guidelines. The official publication of these guidelines is expected by the end of this year. For brokers and investment advisers a new educational program which includes AML issues has been started. The FIU prepared new guidelines for banks for recognizing suspicious transactions and for the correct interpretation and usage of money laundering indicators. The CARDS AML Project was concluded after 18 months of activities. In the last 1,5 years, 5 money laundering convictions (final and non-final) had been achieved (covering 8 persons). One major case is in the course of judicial proceedings which involves 8 persons suspected for international organized drugs crime and related money laundering. In this case security measures have been imposed both in Croatia and abroad; overall bank accounts, real estates and movables have been seized with a total amount of up to 14,2 million Euros.

20. **Bosnia and Herzegovina:** The Progress Report was adopted in November 2007. Since then the capacities of the FIU were improved; the authorities are already in the process of preparation for next year's MONEYVAL onsite visit.

21. **Cyprus:** is in the process of enacting a bill which should incorporate the 3rd EU AML Directive. A couple of weeks ago a stock broker was convicted for money laundering and received 3 years of imprisonment for the predicate offence and 7 years for money laundering; 4,3 million CYP was confiscated. This case also involved the conviction of a legal person which was sentenced with a fine of 200,000 CYP.

22. **Czech Republic:** A completely new AML/CFT Law was created and already submitted to Parliament. It is estimated that it will come into force in the middle of 2008. The Czech FIU hosted a delegation of 12 members of the Russian FIU and presented to them the Czech AML/CFT system.

23. **Estonia:** Estonia had received the MEQ for next year's evaluation visit. In November a draft new AML Law addressing the 3rd EU AML Directive was sent to Parliament (which had already its first reading on it); guidance and secondary legislation are already prepared for amendments because of this new AML Law. In one case a financial institution "blocked" funds of a listed company which shows the good co-operation of the financial institutions in the AML/CFT area.
24. **Georgia:** Georgia made several draft amendments to the Criminal Code and the AML Law. These changes are based on the recommendations of the MONEYVAL 3rd round report on Georgia and addresses the issues of PEPs, shell banks, accounts in fictitious names etc. These amendments were initiated in Parliament in October 2007.
25. **Hungary:** The new AML/CFT Act implementing the 3rd EU AML Directive has been adopted by Parliament and will come into force on the 15 December 2007. The Ministry of Finance is preparing 2 Ministerial decrees for the practical implementation of this new law. In November the FIU organised a workshop concerning the effective implementation of the 3rd EU AML Directive. Since 2007, the FIU has launched 24 open investigations and 18 covert investigations. In the second half of 2007 the FIU has seized approximately 4 million Euro linked with suspicion of money laundering. The Hungarian FIU has signed an MoU with the Romanian FIU. The Hungarian Financial Supervisory Authority (HFSA) has conducted in the last few months 11 on-site examinations (1 mortgage bank, 2 financial service providers and 8 insurance companies). The HFSA has increased the staff of the Financial Forensic Department. It organized a conference in cooperation with the Police Academy on the implementation of the third EU AML Directive for the authorities and the supervised institutions. The responsibilities of the Hungarian Customs and Finance Guard (HCFG) have been extended; the investigative competence for money laundering and failure to comply with the reporting obligation related to money laundering has been transferred from the Hungarian Police to the HCFG as of 1 January 2008. On the basis of the new AML/CFT Act, the HCFG will have power and responsibility concerning all tasks of the Financial Intelligence Unit in Hungary; a special division within the HCFG will carry out this work from the 15 December 2008. During the second half of 2007, the HCFG started to establish a central database containing all cash registration forms computed in a downloadable format; this should enable customs officers throughout all border posts to run cross checks. This system will make it possible to more speedily supply data under judicial aid about the movement of registered cash in Hungary to other countries. The database will probably be operational from February 2008.
26. **Liechtenstein:** the government established a working group to implement the recommendations of MONEYVAL's 3rd round report on Liechtenstein. The FIU continued its training for reporting entities.
27. **Malta:** Since the last plenary in September and following various discussions held within the Prevention of Money Laundering Joint Committee, the Financial Intelligence Analyses Unit (FIAU) finalized the drafting of the regulations transposing the 3rd EU AML Directive and including the technical criteria provided for by the implementation Directive. These regulations will replace the existing Prevention of Money Laundering and Financing of Terrorism Regulations. The FIAU has increased its staff with the employment of a lawyer, a new clerk and an additional financial analyst. The FIAU is in the course of recruiting a compliance officer and intends to set up a compliance unit, which will work closely with supervisory authorities and will monitor persons who are not supervised by another regulatory authority. New guidance notes for accountants have been issued. A new Act, "The Voluntary Organizations Act", has been adopted by Parliament. This law aims at providing a legal framework for non-profit organizations and other NGOs, this Act has not yet come into force. The FIAU was not directly involved in the

drafting of this Act and will analyze its provisions; if appropriate it will make recommendations on possible amendments to the Act to address any issues of relevance to the anti-money laundering regime in Malta.

28. **Moldova:** After the adoption of the 3rd round mutual evaluation report, Moldova is now focusing on fulfilling its recommendations. It ratified on 13 July 2007 the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism. On 26 July 2007, Parliament adopted the new AML/CFT Law. Parliament also adopted after first reading the draft law on amending several legislative acts in order to adjust them to the Warsaw Convention and the new AML/CFT law. A new Order on the list of drugs producing countries, countries that do not have in place provisions for combating money laundering and financing of terrorism and off-shore zones has been elaborated. In order to implement UN Resolution 1373, the Intelligence and Security Service has adopted in November a new Order on the list of terrorists and terrorist organizations. An Action Plan has been elaborated for the implementation of the National Strategy on the preventing and combating money laundering and financing of terrorism and an working group has been established for the purpose of its implementation. A Memorandum of Understanding was signed with the Croatian FIU. Within the MOLICO project, study visits for the FIU and other law enforcement authorities to Belgium, Cyprus and Ukraine were organized. Within the same MOLICO project, a series of seminars have been organized at the national level. FIU representatives attended regional and international seminars/conferences in Montenegro, Slovenia, Poland, Switzerland, USA and Canada. The final version of the draft Cooperation Agreement with EUROJUST has been submitted to Government.
29. **Poland:** A draft of a stand alone terrorist financing offence has been adopted by the Council of Ministers and passed to Parliament. On 22 November 2007, a new head of the FIU has been appointed (Mr Andrzej Parafianowicz, Undersecretary of State, General Inspector of Financial Information). On 15 November 2007, the FIU signed a Memorandum of Understanding with Albania and Montenegro.
30. **Romania:** is in the process of transposing the obligations of the 3rd EU AML Directive. Between July and September the government approved MoUs with the Russian Federation, Israel, the United States and the United Kingdom. Currently the Romanian FIU is negotiating an MoU with Japan. Romania signed also an agreement to the FIU net.
31. **Russian Federation:** In September, the head of Rosfinmonitoring (the Russian FIU) was nominated as Prime-Minister of the Russian Federation and as a consequence the structure of the government agencies was changed. According to the new structure, Rosfinmonitoring was moved from the Ministry of Finance to be now accountable directly to the Government. Accordingly, the Regulations on Rosfinmonitoring were amended, and Rosfinmonitoring has been given the power of legislative initiative (it can develop draft laws and present them to Government for taking decision on sending them to the Parliament). In November, a new law has been passed which introduced amendments to the basic AML/CFT law; the new provisions address the issue of foreign PEPs and money transfers according to SR VII. These amendments will come into force on 15 January 2008. Rosfinmonitoring placed the Russian translation of the Statement of the FATF President on Iran on its website and informed the financial institutions about the risks related to the deficiencies of the AML/CFT system in Iran. After the last plenary, the onsite visits for the 3rd round mutual evaluation of the Russian Federation took place. This evaluation was conducted jointly by the FATF, MONEYVAL and EAG with a team of 11 experts from these three bodies. The mission was held in two parts – in September with visits to Moscow and Nizhniy Novgorod, and in November with visits to

Khabarovsk, Kaliningrad, Rostov-on-Don and again Moscow. The team of experts had also a meeting with the Prime-Minister of the Russian Federation.

32. **San Marino:** Since the last plenary meeting, the Government of San Marino requested the Central Bank to complete the draft law, whose drafting had started in 2006, so as to revise the AML/CFT framework. This draft law takes into account the latest international standards and the observations made by the MONEYVAL evaluation team after their on-site visit in March 2007. Now the draft has been finalised and sent to the Ministry of Finance, with a view to submitting it to Government. The parliamentary process for its adoption should start in the next months.
33. **Serbia:** In September a new head of FIU was appointed. A new strategy for combating money laundering and terrorist financing has been developed. Draft amendments were made to the AML Law and already sent to government. Serbia is currently involved in a PACO project and was also supported by the US treasury which involved a large number of seminars and meetings.
34. **Slovakia:** In co-operation with the Police Academy, the FIU issued two handbooks on how to apply AML/CFT measures in practice: one for obliged entities and another one for investigators. An inter-ministerial workgroup drafted amendments to the Criminal Code and the Criminal Procedure Code with the aim of introducing corporate criminal liability and a stand alone terrorist financing offence. The National Bank of Slovakia is starting this year onsite visits in banking groups which means that it inspects the AML/CFT prevention system not only of banks but also of its affiliates and subsidiaries. A draft law implementing the requirements of the 3rd EU AML Directive is pending in Parliament.
35. **Slovenia:** A new AML Law implementing the requirements of the 3rd EU AML Directive was adopted in July 2007 and now Slovenian authorities are in the process of making it effective by issuing implementing regulations and sector specific guidelines. Several workshops and trainings were organised in the last months.
36. **“The former Yugoslav Republic of Macedonia”:** A draft AML law has passed the Government and is now on the agenda of Parliament. The main purpose of the amendments is the harmonization with the requirements of the 3rd EU AML Directive and the Warsaw Convention. The new law will make the FIU a separate legal person within the Ministry of Finance. Furthermore banks will be obliged to build AML departments and introduce new AML software. It is also intended to introduce a separate financing of terrorism offence. On 1 July the Ministry of Finance adopted a new organizational structure of the FIU which includes 3 new departments (IT and administrative department; department for supervision; department for combating financing of terrorism). One new IT employee was appointed and the total number of employees of the FIU is now 14 (including the director). The FIU signed an MoU with the Ministry of Interior (Bureau for Public Security and Office for security and intelligence). In June, 3 persons were convicted for money laundering - the predicate offences were abuse of official duties and forgery. On 1 October, the twinning project “Improvement of the capacity against money laundering” started. Spain has been selected as twinning partner. This project was approved by the European Agency for Reconstruction and encompasses activities within the next 21 months.
37. **Ukraine:** Measures to optimize the work of the FIU and the general AML/CFT regulations were introduced, which comprises draft amendments to the current AML/CFT legislation. Ukraine is preparing for the onsite visit of MONEYVAL in 2008.

Item 7 – Opening of the 10th anniversary session by Mr. Terry DAVIS, Secretary General of the Council of Europe

38. The Secretary General of the Council of Europe gave an address in which he emphasised the importance of the fight against money laundering in the fight against organised crime generally. He also emphasised that after the events of September 11, 2001 the Committee of Ministers took rapid action to extend the MONEYVAL anti money laundering mandate also to the financing of terrorism. He thanked the many countries which had made voluntary contributions to MONEYVAL during the last 10 years – in particular the governments of the United Kingdom and the United States, which regularly provided financial support for the work of the committee. He pointed out that MONEYVAL, ever since its creation, had placed emphasis not only on formal compliance with international standards, but also on effective implementation. He noted that any country can pass laws, but enforcing them effectively requires political will and the provision of necessary resources and training to ensure that the standards, embodied in those laws, are implemented in practice. He concluded by noting that MONEYVAL is good value for money.

Item 8 - Intervention by Ambassador Emil KUCHAR, Permanent Representative of Slovakia, Chairman of the Committee of Ministers' Deputies

39. Ambassador KUCHAR, Chairman of the Ministers' Deputies, made a short intervention on the occasion of the 10th anniversary, and of its 25th plenary meeting. He stressed the importance the Committee of Ministers attaches to MONEYVAL's work and their strong support for it. He noted that since it was set up in 1997, MONEYVAL had, with hard work and commitment pursued its aim of ensuring that states have effective systems to counter money laundering and financing of terrorism and that they comply with international standards in these fields. He recalled that at their third summit in Warsaw in May 2005, the Heads of State and Government of the member states of the Council of Europe had commended MONEYVAL for its work of monitoring AML/CFT measures and indicated their wish that MONEYVAL continue to strengthen its ties with the Financial Action Task Force (FATF). That objective had been reached when the Council of Europe/MONEYVAL became an associate member of FATF in 2006. He also commended the work of the Secretariat and its Executive Secretary who had led the Committee in an excellent way from the beginning.

Item 9 – Response by Dr. Vasil Kirov

40. The Chairman thanked the Secretary General and Ambassador KUCHAR for their interventions. He recalled that 10 years ago MONEYVAL member state delegates did not know very much about money laundering. MONEYVAL countries were then taking the first steps in developing comprehensive systems for prevention and suppression. Now, after the completion of the 2nd round and the beginning of the 3rd round he felt that there was reason to believe that most of the 29 countries which MONEYVAL now evaluates have increasingly strong legal, law enforcement and financial systems to combat the threat of money laundering and financing of terrorism. He considered that the work of MONEYVAL was instrumental in this outcome.

Item 10 – Address by Mr. James SASSOON, President of FATF

41. Mr. SASSOON made an address in which he congratulated MONEYVAL on its significant achievements since its establishment. He stated that MONEYVAL makes a vital contribution to

combating crime and terrorism. He recalled the successful joint plenary in February 2007 in the Council of Europe, which he noted was the first fully integrated plenary with an Associate Member and which provided a good model for future FATF/FSRB meetings. He noted MONEYVAL's impressive achievement in agreeing over 60 mutual evaluation reports and over 50 progress reports. He also noted the challenging timetables all assessment bodies now face with reports. He went on to outline some of his priorities as President. These included guidance for all countries, but particularly those with limited capacity on implementing AML measures in a risk based manner. He highlighted the work that is being done on counteracting the proliferation of weapons of mass destruction, and the importance he attaches to accountability of the FATF to Ministers. To this end the UK Chancellor of the Exchequer had called a meeting of FATF Finance Ministers in Spring 2008 to refresh the FATF mandate. He concluded by emphasising the strength of the partnership between the FATF and MONEYVAL and that the FATF looks forward to further close working to meet mutual objectives.

Item 11 Intervention by former Chairmen of MONEYVAL

42. The first intervention was Mr. Klaujjo STROLIGO, the first Chairman PC-R-EV, as it then was. He shared his personal impressions of the early years of MONEYVAL, paying tribute to the work of Peter CSONKA, the first Secretary of the Committee. He recalled how far the Committee had come in 10 years, and the high respect it is held in around the world. He had seen members of delegations become Prime Minister, Ministers of Finance, and a Minister of Justice. Just as important, he had seen countries ratifying conventions, adopting 'other enforceable means' and changing fundamental legal principles as a result of MONEYVAL reports. He thanked the Executive Secretary and Danielida WEBER for all their work.
43. The second intervener was Dr. Silvio CAMILLERI (Malta). He said that he was proud to be able to say that he had been Chairman of MONEYVAL. He described the reactions of countries to the evaluation process in the first round which had been a learning and enriching process. He noted that the early reports were comprehensive but lean, compared with the present voluminous reports, where he considered that ratings have been an end and not a means. He also noted the process had produced results – particularly in persuading states to accept what had hitherto been 'alien concepts', like corporate liability and reverse onuses. He referred to the 'exemplary' horizontal review of the first round as a major output of the Committee. He noted with satisfaction that the resourcing of MONEYVAL (including staffing) was now on a much sounder footing. He welcomed the close partnership that had developed with FATF over the 10 years culminating in the joint plenary meeting in February 2007. He concluded by thanking MONEYVAL for 'showing us the way to better equip members to fight money laundering and financing of terrorism over 10 years'.

Items 12 and 13 - Presentation and Discussion on the FATF Guidance on the Risk-Based Approach to Combating Money Laundering and Terrorist Financing, Moderator: Professor Michael LEVI

44. Item 12.1: For this item Dr. KIROV vacated the chair and the session was moderated by Professor Michael LEVI (United Kingdom). A presentation was made by Dr. Robert FERGUSON – Head of Financial Crime Policy and Intelligence, Financial Services Authority, United Kingdom. The focus was on the FATF published "Guidance on the Risk-Based Approach to combat Money Laundering and Terrorist Financing".

45. Item 12.2: A further presentation was made by Mr. Richard CHALMERS – Chairman of the FATF Working Group on Evaluation and Implementation. The focus of this presentation was on handling of risk in the evaluation process.
46. Item 12.3: A third presentation was made by Mr. Paolo COSTANZO, European Commission. The focus was on the risk-based approach in the third EU AML/CFT Directive.
47. A considerable number of MONEYVAL delegations and observers took the floor after the presentations in order to share their experience on the risk-based approach with the plenary and/or to put questions to the three presenters on issues related to the risk-based approach.
48. All three presentations and the moderators' summary of the risk-based approach have been made available on the MONEYVAL website with restricted access to delegations and evaluators.

Item 14 Progress Report – Latvia

49. The Head of the Latvian delegation presented the progress report. It was explained that:
- Latvia is in the process of adoption of a new AML Law incorporating the 3rd EU AML Directive as well as the recommendations of the 3rd round evaluation report. The law will be sent within one week to parliament. It will place the same requirements on DNFBP as on financial institutions and introduce a comprehensive reporting regime for suspicious and unusual transactions.
 - for a money laundering conviction no prior conviction for the predicate offence is required; it is only necessary that there is evidence that the assets derive from a criminal activity.
 - there had been significant structural changes in the AML/CFT institutional framework and that the “Council for Prevention of Laundering of Proceeds derived from Criminal Activity” was on 03. April 2007 transformed to the so called “Finance Sector Development Council”.
 - a draft “Law on the declaration of property owned by natural persons” is in the process of adoption at parliament; this law will require all residents to declare their property.
 - the FIU receives approx. 26,000 to 27,000 suspicious/unusual transaction reports per year from the financial and non-financial entities; approximately every 8th report out of these is forwarded to law enforcement for further investigations. According to its competences, the Latvian FIU forwards to law enforcement not only cases which are linked with suspected money laundering but any predicate crime.
50. The plenary sought and received various clarifications on the following issues:
- The procedures concerning de-listing of designated European Union internals in Latvia.
 - France pointed to some unclarity concerning statistics with regard to money laundering convictions and a possible inconsistency between the statistics under sections 5a and 5b of the Progress Report. Latvia explained that these differences were caused by the format of the progress template statistics which do not fit the Latvian situation.
 - Cyprus wanted to know how Latvian law enforcement authorities can get access to beneficial ownership information.

Decision taken

51. The plenary adopted the report and authorised the Secretariat to make in cooperation with the Latvian delegation the necessary clarifications to the statistics in section 5 of the Progress Report.

Item 15 - Progress report – Lithuania

52. The Head of the Lithuanian delegation presented the progress report. It was emphasized that:

- The new draft AML/CFT Law was discussed in the competent Parliamentary committees and the first hearing in Parliament took place on 6 November 2007. The second hearing was scheduled for 5 December 2007 and the draft Law was to be adopted after this hearing. The Law will implement the 3rd Directive and the MONEYVAL recommendations from the third round evaluation. Guidelines for the financial institutions and other entities will be issued as soon as the draft law is adopted.
- The draft law provides new definitions of shell banks, PEPS, family members, close associates of PEPs and company service providers.
- New competent authorities under the draft law are: The Lithuanian Assaying and Hallmark Laboratory; the Chamber of Auditors; the Chamber of Notaries; the Department of Heritage of Culture under the Ministry of Culture; the Chamber of Bailiffs. These authorities will be responsible for supervision of the respective entities and for the issuing of guidelines.
- New obligations under the draft AML/CFT Law: identification of the beneficial owner; obtain information on the purpose and intended nature of the business relationship; to verify the customers identity on the basis of documents, data or information obtained from a reliable and independent source; conduct ongoing monitoring of a business relationship and keeping customer information up-to-date.
- Extension of the period of suspension of suspicious and unusual transaction from 48 hours for 5 working days.
- Article 3 of the Law on Payments has been redrafted according to the recommendations of the MONEYVAL experts and the draft Law is being considered by the Parliament. A draft Law implementing recommendations of MONEYVAL experts (definition of terrorism financing) to amend and supplement the Criminal Code is under discussion between the involved authorities and the institutions.

53. The Russian Federation sought information on whether the draft law had introduced new provisions in respect of SR IX extending the scope of the reporting duty to bearer negotiable instruments.

54. Malta asked for some clarification on the thresholds in art. 9 in the draft law. Clarification was also sought on the proposed abolition of the differences concerning internal and cross-border payments and the interrelationship with EU Regulation 1781/2006, which of itself implements SR VII and is directly applicable in Member States. Clarification was provided by the Lithuanian delegation. Malta further questioned how art. 14 in the draft Law interrelated with the MONEYVAL recommendations in respect of R 13 and SR IV especially concerning attempted suspicious transactions and the reporting of STRs on terrorist financing. The Lithuanian delegation explained that this will be solved by a Government Resolution when the law has been adopted. The interpretation of Malta was that the reporting obligation was only for money laundering, as no Government Resolutions had been issued at this stage. Malta expressed concern that the reporting obligation for terrorist financing was not yet in place.

55. Cyprus sought clarification concerning the statistics. It was stated that there were 5 indictments (5 investigations started) in 2004. The Lithuanian delegation informed that 5 pre-trial investigations had started but indictments had also been filed.
56. The law enforcement scientific expert pointed out that when looking at confiscation statistics the system appeared ineffective. Over a four year period proceeds had only been confiscated in 2005 (car as tool of crime and 10980 Euro on account). The scientific expert questioned the reason for that and asked for information on how the Lithuanian authorities intended to remedy the situation. The Lithuanian delegation explained that there had only been 1 successful conviction. For the time being there were some successful cases in the Court of Appeal.
57. The Russian Federation sought clarification on the difference in the statistics in 2006 and 2007 between the number of investigated cases and persons – in 2006 37 investigated cases and 1 person and in 2007 (up to 1 October) 9 investigated cases and 1 person. The Lithuanian delegation informed that the statistics had been provided by the General Prosecutors Service Police Department and it could be clarified at a later stage. It was, however, confirmed that a case might be investigated without a person being involved.
58. The World Bank asked whether attempted suspicious transactions were covered by the reporting obligation in the draft Law. This seemed not to be the case. In that case they considered it was not only in contradiction with R 13 but also with the 2nd Directive, which provides for the reporting obligation to include facts which might be an indication of money laundering. The Lithuanian delegation could not provide an immediate response. The World Bank also stressed that this also has an impact on compliance with SR IV concerning the reporting of financing of terrorism.
59. Malta also commented that the reply to R11 did not address or cover the recommendation proposed by the evaluators. It was proposed to quote art. 14.4 in the draft Law instead of quoting art. 14.1 in the draft Law.
60. The Chairman considered that this progress report did not give full replies and did not fully address all the MONEYVAL recommendations. The draft law had been “cut and pasted” into different part of the progress report which made it difficult to evaluate the answers. For that reason the Chairman proposed that the country be asked to resubmit the report for the next plenary meeting addressing the issues which are linked with the key recommendations made by the Committee when the report was heard.
61. Lithuania stressed that it was a progress report and they had given the information reflecting the present status. There would be more amendments in the future and more implementation of recommendations.
62. Estonia indicated that the draft law was in the Parliament and the administration could not make any changes. For this reason nothing could be changed before the next plenary meeting. For this reason Estonia supported the adoption of the progress report.
63. The Executive Secretary reminded delegations that when the Rules of Procedure had been revised in November 2006 it had been envisaged that this kind of situation might arise. It was then decided that the progress reports were to be published on the MONEYVAL website and for that reason the assumption was that the information contained in the progress reports should be clear, accurate and easy to comprehend for non-members. In the Rules of Procedures it is said in art. 39: “If the Plenary is not satisfied that the progress report presented one year after the

adoption of the mutual evaluation report contains sufficient information, the Chairman will invite the country to re-submit a fuller progress report to the next meeting. Where the fuller progress report is presented, and it is considered to be satisfactory, it will be adopted. It will then be published.....” The relevant issue is whether the Plenary understands the responses the country makes in the progress report and is satisfied that progress is being made in answer to the recommendations in the mutual evaluation report. If so, the Executive Secretary indicated that the progress report could be adopted. If the plenary is unclear as to some of the responses on significant items the country could be invited to clarify further. It was for the Plenary to decide whether they found the quality of the answers sufficient to fully understand the implementation of the recommendations given by the experts.

64. Malta pointed out that it was in the greater interest of the delegation concerned to clarify certain issues that have been discussed during a plenary in a progress report before publication of their written report.

65. The Chairman invited delegations to indicate if they were satisfied by the progress report and the quality of the information provided.

66. A Cyprus proposal that 2 experts together with the Secretariat should examine each progress report on receipt for completeness and accuracy was noted but not discussed at the meeting.

Decision taken:

- The Lithuanian delegation was invited to amend the progress report for the next plenary.

Item 16 - Progress Report – Montenegro

67. The Head of the Montenegrin delegation introduced the progress report. It was emphasized that:

- The AML Law had entered into force in October 2003. Changes to the law to counter terrorist financing had been made in 2005. A new AML/CFT Law was adopted by the Montenegrin Parliament on 29 November 2007 and the new law implements the EU 3rd Directive. Furthermore in January 2007 a new Police Directorate had been established. The Directorate is separate from the Ministry of Internal Affairs and the head of the Police Directorate is the Director and it has its own budget. Within the Police Directorate the Criminal Police Department deals with the fight against money laundering. Judicial reforms and additional legislation in this area has been passed by the Parliament.
- The Montenegrin FIU had been established by a Governmental decree in December 2003 and has been fully operational since July 2004. There are 19 positions within the FIU including the position as Director. Currently there are 13 civil servants and 4 trainees employed for professional training. Domestic MoUs have been signed with the Central Bank, Securities Commission, Police Directorate, Customs Directorate, Tax Administration and the Basic Court in Podgorica in order to improve and strengthen the cooperation. MoUs have been signed with the following foreign FIUs in Serbia, Slovenia, Croatia, Bulgaria, Bosnia & Herzegovina, “the former Yugoslav Republic of Macedonia”, Albania, Portugal, Russian Federation and Poland.

68. The plenary sought and received various clarifications.

69. Malta supported by Slovakia drew the attention to the format of the report. Legal provisions were inserted as answers to several questions and that made it very difficult to evaluate the

answers as was the case with the Lithuanian progress report. Furthermore the same legislation was enclosed as an Annex.

70. The Chairman noted the concerns but stressed that it was a first round evaluation progress report and that it was neither for adoption nor for publication.

Decision taken:

- The plenary took note of the report.

Item 18 - European Commission

71. The Committee for the Prevention of Money Laundering and Terrorist Financing will have on 11. December 2007 a meeting with its member states and it is intended to finalise the member states' agreement on equivalent third countries. If an agreement can be achieved, it will be published as an Annex to the minutes of the Committee meeting. Member states can then use this list and publish it internally for the implementation of the 3rd EU AML Directive. Furthermore at this meeting, the Commission will discuss open issues with regard to Regulation 1781/2006 on information on the payer accompanying transfers of funds (which is implementing SR VII in EU legislation). The FIUs are currently working mainly on three issues: feedback; the information available and the capacity to exchange information on the international level; the impact of data protection rules on the reporting obligations and the activities of FIUs itself. The next meeting will be in January 2008.

Item 19 - Introduction to the 3rd Directive

72. Mr. Herbert LAFERLA (Malta), Professor William GILMORE (Legal Scientific Expert) and Mr. Paolo COSTANZO (European Commission) made presentations and introduced the 3rd Directive.

73. A number of delegations sought clarifications on different issues and put questions to the presenters.

74. The presentations are available on the MONEYVAL restricted website.

Items 21, 22 - Discussion on the draft mutual evaluation report on the Principality of Monaco

75. The Secretariat thanked the Monegasque delegation for their hospitality in Monaco and their co-operation. The Secretariat explained the background of the on-site visit and introduced the experts involved in this evaluation. The evaluators presented an overview of their findings. The Plenary was briefed on the major changes that were made to the draft report between the version sent out before the plenary meeting and the version brought to the plenary. The Secretariat informed the delegates that the comments received from the Ad hoc Review Group had been considered by the examiners. Then the Monegasque authorities expressed their gratitude to the assessment team and introduced the members of delegation.

76. The three intervener countries were: Serbia (legal aspects), Montenegro (law enforcement aspects) and Estonia (financial aspects). In discussions on the draft report on Monaco, the interveners and the Plenary sought further clarification and information on various issues, such as:

- on the procedure which enables the FIU to block the performance of a transaction during 12 hours, the extension of this time limit as well as on the requirements to obtain a court seizure order;
- on the co-operation between the FIU and the law enforcement agencies;
- on the amendments to the legislation aiming at introducing the use of special investigative means and techniques and the implementation of such legislation;
- on the human resources of the FIU and its effectiveness;
- on the nature of business of financial institutions in Monaco and the associated risks,
- on the status of the Société Financière d'Encaissement, the financial subsidiary of the Société des Bains de Mer, which manages the casino cash desks and provides credit to casinos' clients, and its AML/CFT supervision by the supervisory authority;
- on the measures foreseen to improve the supervisory capacity of the SICCFIN.

72. *Important issue raised:*

- The delegations had an intense discussion in the context of Recommendation 18, which was rated by the evaluators as 'Largely compliant'. The evaluators had acknowledged that the Monegasque framework met the requirements of R. 18, following the adoption of a Sovereign Order in August 2006 (3 months prior to the on-site visit) to comply with criteria 18.2 and 18.3. However they considered that at the time of the evaluation visit, these changes were too recent to allow an assessment of their effectiveness. The Hungarian delegation, supported by the Polish delegation, proposed to upgrade the rating to Compliant, to follow what was understood to be the approach adopted by the FATF in the report on Iceland. The plenary considered this was not an issue of the time lapse since adoption of the legislation but a question of effectiveness which should be decided inter alia in the light of the evidence given by the authorities that the measures put in place were fully effective. The Plenary decided to follow the assessment of the evaluators, who had reservations about the effectiveness of the newly adopted legislation during their visit. The rating proposed by the evaluators was maintained.

73. The Plenary decided after discussions:

- to delete the second bullet under the summary of factors underlying rating of R. 3 and add a new bullet regarding the effectiveness of the confiscation regime, following comments made by the World Bank,
- to clarify the text of the report referring to the staffing of the FIU in the context of R. 26 so as to take into account that though the number of staff was small, it considered it to be adequate;
- to delete the last bullet under the summary of factors underlying the rating of R. 27 and to accommodate the information contained therein elsewhere in the body of the report;
- to confirm the rating of R. 5 as PC;
- to clarify the summary of factors of R. 13 and SR.IV by adding the word "suspicious" in relation to attempted transactions;
- to confirm the rating of R. 18 as LC;
- to redraft in much stronger terms the wording in the parts related to the powers, resources and operational arrangements of SICCFIN as the supervisory authority for financial institutions, as the delegates considered that the problem of insufficient monitoring was not only a problem of human resources but of effectiveness. This wording would also be reflected through an additional bullet under the summary of factors underlying the rating of R. 23 and this rating was downgraded from LC to PC;
- to harmonise the references to the status of the Société Financière d'Encaissement throughout the report;

Decision taken:

- Adopted the draft third round mutual evaluation report on Monaco as amended and its draft summary (and subject to consequential editorial changes by the Secretariat)

Item 23 - Elections

77. Dr. Vasil KIROV (Bulgaria) was re-elected unopposed as Chairman of MONEYVAL. After a contested election Mr. Vladimir NECHAYEV was re-elected as Vice Chairman. The following were elected to the Bureau: Mrs. Eva ROSSIDOU-PAPAKYRIACOU (Cyprus); Mr. Damir BOLTA (Croatia), Mr. Andres PALUMMA (Estonia).

Item 24 – Typologies

Typologies

78. The Chair of the Working Group on Typologies briefed all delegations on the progress made by the WGOT since the last plenary meeting, and on the outcome of the 6th Typologies Meeting and put forward proposals for the 2008 workplan regarding typologies research. The project leaders on Topic 1 (Money Laundering in Securities Sector – Investigation Methods) and 2 (Counterfeit Products and Goods / Commercial Fraud) presented the main findings of each of the workshops. Both of them informed the Plenary that the draft reports would be finalised in the course of February and as necessary, additional working meetings would be organised prior to the forthcoming plenary meeting to review and finalise the draft reports before they are submitted to the plenary.

79. The Chair reminded delegations that 2 topics had already been put forward (Circumvention of Customer Due Diligence Requirements in Deposit-Taking Institutions; Financing of Terrorism Typologies – Cash Couriers and Good Movements) and that a new topic - Free trade zones – had also emerged during the discussions of the WGOT. He invited all delegations to consider whether they would like to take responsibility to lead one of these researches or otherwise communicate to the Secretariat before the end of January 2008 any new proposals.

Decisions taken

- The Plenary noted the oral reports made by the WGOT Chair and the project leaders and the call for proposals for typologies work in 2008.

Item 25 – MONEYVAL participation in FATF events

80. The Secretariat explained that they would participate together with Romania and Malta in the workshop on the risk based approach for DNFBP in Berne later in December.

81. For the next FATF plenary meeting delegations were asked to send in request by 11/1/07 to participate in the 2 or 3 places available in the MONEYVAL delegation not taken by Bureau countries.

Items 17 and 26 – Compliance Enhancing Procedures

82. The plenary heard presentations from the delegations from Moldova and Azerbaijan.

83. The Bureau recommended to the plenary that progress on the Moldovan Tax Amnesty legislation was sufficient for the Compliance Enhancing Procedures to be lifted. The plenary agreed and Moldova was invited to report back on progress on the implementation of the National Bank Decision in their 2008 progress report.

84. In respect of Azerbaijan, the Bureau had noted that they were placed under the procedures in February 2006 and at that time a draft law was due to be presented to the Parliament in spring 2006. In December 2007 AML/CFT legislation remained in draft form and no comprehensive law has been enacted. The Bureau had reviewed the present version of the draft law, which the Azerbaijan authorities have agreed should be presented to the Parliament. In their view it remains insufficiently comprehensive and does not address all MONEYVAL's concerns raised in the process. Accordingly the Bureau recommended and the plenary accepted that a high level mission should be arranged as soon as possible to reinforce the message that satisfactory comprehensive AML/CFT legislation needs to be enacted and brought into force.

Item 27 – Revised Questionnaire

85. The revised questionnaire was circulated and adopted and will be placed on the website. The plenary granted authority to the Bureau to agree amendments to the progress report.

Item 28 – Finance and Staffing

86. The Secretariat was pleased to report that the secondments of Mrs Kirsten MANDRUP and Mr. Gerhard MILD had been extended. The budget for 2008 had been agreed and will support planned activities.

Item 29 – Miscellaneous

87. There were no issues under this item.

88. The next meeting of the Committee will be held from 31 March – 4 April 2008.

ANNEXE 1

AGENDA 25th PLENARY MEETING Strasbourg, 3 - 6 December 2007

Day 1: Monday 3 December 2007 / 1^e jour: lundi 3 décembre 2007

Morning 9h30 / matin 9h30

- 1. Opening of the Plenary Meeting at 9h30 / Ouverture de la Réunion Plénière à 9h30**
- 2. Adoption of Agenda / Adoption de l'Ordre du Jour**
- 3. Information from the Chairman / Informations communiquées par le Président**
- 4. Information from the Secretariat / Informations communiquées par le Secrétariat**
 - 4.1 Mandate / Mandat**
 - 4.2 Agenda of evaluations and meetings for 2008 / Agenda des évaluations et réunions en 2008**
 - **Armenia request for IMF assessment / Demande formulée par Arménie d'évaluation par le FMI**
 - 4.3 Participation in other events / Participation à des activités diverses**
 - **MONEYVAL Secretariat / Secrétariat de MONEYVAL**
 - **Mr Herbert Laferla – Participation in ACAMS European conference in Amsterdam / M. Herbert Laferla – participation à la conférence européenne de ACAMS à Amsterdam**
 - 4.4 Elections – information on procedures / Elections – informations sur les procédures**
 - 4.5 Questionnaire: 2008 amendments to incorporate 3rd EU Directive (MEQ s) / Questionnaire: amendements pour 2008 afin d'incorporer la 3^{ème} Directive de l'UE (QEM)**

Coffee break 11h00 – 11h30 / Pause café 11h00 – 11h30

- 5. Information on AML initiatives in other fora / Information sur les initiatives LAB/CFT dans d'autres institutions**
 - 5.1 EBRD / BERD**
 - 5.2 Egmont group / Groupe Egmont**
 - 5.3 IMF and World Bank / FMI et Banque Mondiale**
 - 5.4 UNCTC / CCTNU**
 - 5.5 United Nations / Nations Unies**
 - 5.6 Eurasian Group on Combating Money Laundering and Terrorist Financing (EAG) / Groupe Eurasie sur le blanchiment de capitaux et le financement du terrorisme (EAG)**
- 6. Information on AML/CFT initiatives in MONEYVAL countries (tour de table) / Information sur les initiatives LAB/CFT dans les pays membres de MONEYVAL (tour de table)**

7. **Opening of the 10th anniversary session by Mr Terry Davis, Secretary General of the Council of Europe/** *Ouverture de la session solennelle du 10ème anniversaire du comité par M. Terry Davis, Secrétaire Général du Conseil de l'Europe*
8. **Intervention by Ambassador Emil Kuchár, Permanent Representative of Slovakia, Chairman of the Committee of Ministers' Deputies /** *Intervention par l'Ambassadeur Emil Kuchár, Représentant Permanent de la Slovaquie, Président des Délégués des Ministres*
9. **Response by Dr Vasil Kirov, President of MONEYVAL /** *Réponse de M. Vasil Kirov, Président de MONEYVAL*

Afternoon 14h30 / après-midi 14h30

10. **Address by Mr James Sassoon, President of the FATF /** *Allocution de M. James Sassoon, Président du GAFI*
11. **Intervention by Former Chairmen of MONEYVAL /** *Intervention des Anciens Présidents de MONEYVAL*
 - **Mr Klaudijo Stroligo (Slovenia)**
 - **Dr Silvio Camilleri (Malta)**

From 15h15 to the close of business / Du 15h15 à la clôture des discussions

12. **Presentation and Discussion on the FATF Guidance on the Risk-Based Approach to Combating Money Laundering and Terrorist Financing, Moderator: Professor Michael Levi /** *Présentation et Discussion des orientations du GAFI sur l'Approche fondée sur l'évaluation des risques dans la lutte contre le blanchiment d'argent et le financement du terrorisme, Modérateur: Professeur Michael Levi*
 - 12.1 **Presentation: Dr Robert Ferguson – Head of Financial Crime Policy and Intelligence, Financial Services Authority, United Kingdom /** *Présentation : Dr Robert Ferguson – Chef de la Division du Crime Financier et de Renseignements, FSA, Royaume Uni*
 - 12.2 **Presentation : Mr Richard Chalmers – Chairman FATF Working Group on Evaluation and Implementation /** *Présentation : M. Richard Chalmers – Président du Groupe de travail sur l'évaluation et la mise en œuvre, GAFI*
 - 12.3 **Presentation : Mr Paolo Costanzo – European Commission /** *Présentation: M. Paolo Costanzo, Commission Européenne*
 - 12.4 **MONEYVAL country interventions /** *Interventions par pays membres de MONEYVAL*

A reception offered for the Heads of MONEYVAL delegations by the Permanent Representative of Bulgaria to the Council of Europe and the President of MONEYVAL will be held at the end of the day's business / *Une réception pour les Chefs de délégation, offerte par le Représentant Permanent de la Bulgarie auprès du Conseil de l'Europe et le Président de MONEYVAL, aura lieu à la fin de la session*

Day 2: Tuesday 4th December 2007 / 2^e jour: mardi 4 décembre 2007

Morning 9h30 / matin 9h30

13. **Conclusions on the Risk-Based approach discussion /** *Conclusions de la discussion sur l'approche fondée sur l'évaluation des risques*
14. **Progress Report - Latvia /** *Rapport de suivi – Lettonie*

15. **Progress Report – Lithuania / Rapport de suivi –Lituanie**

16. **Progress Report – Montenegro / Rapport de suivi – Monténégro**

17. **Compliance Enhancing Procedures / Procédures visant à promouvoir la conformité**

17.1 **Azerbaijan / Azerbaïdjan**

17.2 **Moldova / Moldova**

Afternoon 14h30 / après-midi 14h30

18. **Information from the European Union / Information de la part de l'Union Européenne**

19. **Introduction to the 3rd Directive / Introduction à la 3ème Directive**

- **Mr Herbert Laferla**
- **Professor William Gilmore**
- **Mr Paolo Costanzo**

20. **Information on AML/CFT initiatives in MONEYVAL countries (tour de table) – continuation of the discussion as necessary/Information sur le initiatives LAB/CFT dans les pays membres de MONEYVAL (tour de table)- poursuite de la discussion si nécessaire**

Dinner and Wine Tasting in KAYSERSBERG /Dîner et dégustation de vin à KAYSERSBERG

Day 3: Wednesday 5th December 2007 / 3^e jour: mercredi 5 décembre 2007

Morning 9h30 / matin 9h30

21. **Discussion on the draft mutual evaluation report on the Principality of Monaco / Discussion du projet de rapport d'évaluation mutuelle sur la Principauté de Monaco**

Afternoon 14h30 / après-midi 14h30

22. **Continuation of the discussion on the draft mutual evaluation report on the Principality of Monaco / Poursuite de la discussion du projet de rapport d'évaluation mutuelle sur la Principauté de Monaco**

Day 4: Thursday 6th December 2007 / 4^e jour: jeudi 6 décembre 2007

23. **Elections : Chairman, Vice Chairman, Bureau / Elections : Président, Vice-président, Bureau**

24. **Typologies / Typologies**

- **Report from the Chairman of the Working Group on Typologies (Mr Robert Typa - Poland) / Rapport par le Président du Groupe de travail sur les Typologies (M. Robert Typa – Pologne)**
- **Report from project leader: Topic 1: Money Laundering in Securities Sector - Investigation Methods (Mr Oleksiy Feshchenko – Ukraine) / Rapport par le chef de projet: Sujet N°1: Blanchiment de capitaux dans le secteur des valeurs mobilières - méthodes d'enquête (M. Oleksiy Feshchenko – Ukraine)**

- **Report from project leader: Topic 2: Counterfeit Products and Goods/ Commercial Fraud (Mr Theodoros Stavrou – Cyprus) / Rapport par le chef de projet: Sujet N°2: Blanchiment de capitaux et contrefaçon/ fraude commerciale (M. Theodoros Stavrou – Chypre)**
25. **MONEYVAL participation in FATF Events / Participation du MONEYVAL à des événements organisés par le GAFI**
 26. **Compliance Enhancing Procedures – further consideration as necessary / Procédures visant à promouvoir la conformité – poursuite de la discussion si nécessaire**
 27. **Revised MONEYVAL Questionnaire – further consideration / Questionnaire révisé de MONEYVAL - réflexions**
 28. **Financing and staffing / Financement et questions de personnel**
 29. **Miscellaneous / Divers.**

ANNEXE 2

LIST OF PARTICIPANTS 25th PLENARY MEETING

ALBANIA / ALBANIE

Mr Arben DOÇI
HEAD OF DELEGATION
Financial Intelligence Unit (FIU),
Ministry of Finance

Mr Arben KRAJA
Prosecutor, Prosecutor General's Office
Organised Crime Department

Mr Besnik MUÇI
Chief of Sector for Fighting Money Laundering and Financial Crimes
Directorate of Organised Crimes and Witness Protection
Ministry of the Interior

ANDORRA / ANDORRE

Mr Josep M^a FRANCINO BATLLE
CHEF DE DELEGATION
Directeur, Unité de Prévention du Blanchiment (UPB)
Unitat de Prevenció del Blanqueig (UPB)

Mr Jordi PONS
Assesseur du Ministre de Finances
Unitat de Prevenció del Blanqueig (UPB)

ARMENIA / ARMENIE

Mr Daniel AZATYAN
HEAD OF DELEGATION
Head of Financial Monitoring Center
Central Bank of Armenia

M Yeghiazar AVAGYAN
Senior Prosecutor, Anti-Corruption Department
Prosecutor General's Office of Armenia

M Gevorg MALKHASYAN
First Deputy Minister of Justice

Ms Svetlana GLECHUNTS
Head of Department
Department of Expertise of Legal Acts, Ministry of Justice

AZERBAIJAN / AZERBAÏDJAN

Mr Adishirin GASIMOV
Director
Banking Supervision Department
National Bank of the Republic of Azerbaijan

Mr Zaur HAJIYEV
Leading Economist
Banking Supervision Department, AML/CFT Division
National Bank of the Republic of Azerbaijan

Mr Anar SALMANOV
BELGIUM / BELGIQUE

M. Benoît BIENFAIT
EVALUATEUR pour MONACO
GAFI, CBFA, Belgique

BOSNIA AND HERZEGOVINA / BOSNIE-HERZÉGOVINE

Ms Sandra MALESIC
Head of Department for European Integration, Ministry of Justice

Mr Samir OMERHODZIC
Director Insurance Agency

BULGARIA / BULGARIE

Mr Vasil KIROV
CHAIRMAN / PRÉSIDENT
HEAD OF DELEGATION
Director General, Financial Intelligence Agency

Mr Atanas KANCHEV
Deputy Minister of Finance

Ms Sonya KLISSARSKA
Representative of the Ministry of Interior
AFCOS

Mr Petar RASHKOV

Ms Miglena TACHEVA
Minister of Justice

Ms Mitka ZAHARLIEVA
Head of International Cooperation Department
Ministry of Justice

CROATIA / CROATIE

Mr Damir BOLTA
HEAD OF DELEGATION
Deputy Director, Anti-Money Laundering Department
Ministry of Finance

Mr Damir DEAK
Chief Inspector
Economic Crime and Corruption Department
Ministry of the Interior

Mr Ivan PLEVKO
Deputy District Attorney
District Attorney's Office

Ms Marcela KIR
Director, Foreign Exchange Policy Department
Croatian National Bank

Ms Branka PETRIČEVIĆ
Supervision Sector
Croatian Financial Services Supervisory Agency (HANFA)

Ms Anita LJUBIČIĆ
Licensing Analyst
Supervisory Sector, Licensing and Market Competition Department
Croatian National Bank

CYPRUS / CHYPRE

Mrs Eva ROSSIDOU-PAPAKYRIACOU
HEAD OF DELEGATION
Senior Counsel of the Republic
Head of the Unit for Combating Money Laundering
Attorney General's Office

Ms Cynthia PANAYIOTOU
Financial expert, MOKAS

Mr Theodoros STAVROU
Police Officer
Unit for Combating Money Laundering
Financial Intelligence Unit (FIU)

CZECH REPUBLIC / RÉPUBLIQUE TCHÈQUE

Mr Jaromir NEUZIL
HEAD OF DELEGATION
Head of International Co-operation Department
Financial Analytical Unit, Ministry of Finance

Ms Iva MILD – STROUHALOVA
Legal Expert
Banking Supervision
Czech National Bank

Mr Stanislav POTOČEK
Public Prosecutor
Head of Department of Criminal Proceedings
Supreme Public Prosecutor's Office

ESTONIA / ESTONIE

Mr Andres PALUMAA
HEAD OF DELEGATION
Head of AML Unit, Business Conduct Supervision Division
Estonian Financial Supervision Authority

Ms Kristel JUHANSON
Lawyer, Entrepreneurship Division
Financial Policy Department, Ministry of Finance

Ms Lelo LIIVE
Head, Financial Policy Department
Ministry of Finance

Ms Laura VAIK
State Prosecutor
Office of the Prosecutor General

FRANCE

Ms Valérie ALEXIS
Adjointe au Chef de Bureau
Système Financier International, Préparation des Sommets

M. Stéphane MOUSSET
Adjoint de Mme Maya ATIG, Chef du Bureau BANCFIN1 (Affaires Bancaires et Monétaires)
Ministère de l'Économie, des Finances et de l'Emploi

GEORGIA / GEORGIE

Ms Tamar GODERDZISHVILI
Chief specialist of Legal Department
Financial Monitoring Service of Georgia

Ms Tinatin GOLETIANI
Prosecutor's Office

Mr Irakli KOIAVA
Head of the Lawmaking Department
Ministry of Justice

Ms Natalia TCHKOIDZE
Head of the Methodology and International Cooperation Division
Financial Monitoring Service of Georgia

HUNGARY / HONGRIE

Mr Árpád KIRALY
HEAD OF DELEGATION
Head of Department, Hungarian Financial Supervisory Authority (HFSA)

Ms. Csilla ALFÖLDY
Head of Section, National Police Headquarters

Ms Zsafia PAPP
Lawyer, Ministry of Finance

Mr Peter SCHIFFER
Deputy Director General
Hungarian Financial Supervisory Authority (HFSA)

M Peter STEINER
EVALUATEUR pour MONACO
Directeur Adjoint du Département des relations internationales
Autorité nationale de surveillance financière

Mr Róbert VICZIÁN
Expert, Hungarian Customs and Finance Guard

LATVIA / LETTONIE

Mr Viesturs BURKANS
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