



## **Declaration of Ministers and high-level delegates of the member States and territories of MONEYVAL**

*Warsaw, Poland, 25 April 2023*

1. We – the Ministers and high-level delegates of MONEYVAL member States and territories – have gathered to affirm our commitment to international and regional efforts to combat money laundering, terrorism financing and the financing of proliferation of weapons of mass destruction. These phenomena pose a growing threat to the integrity of financial systems on the European continent and worldwide. Large-scale international scandals of recent years and significant compliance failings within major financial institutions highlight the continuing existence of sophisticated global money laundering networks involving corrupt actors, organised criminals and terrorist groups which undermine democratic societies and the rule of law.

2. We shall consolidate efforts to protect our societies from the threat of illicit finance and its predicate criminality, including organised crime; trafficking in persons, drugs and arms; corruption and extortion; cybercrime; smuggling; and fraud. The scale and scope of illicit finance poses a major threat to economic development, while undermining the security of our citizens. The need for high-level political commitment to counter the threats of money laundering and terrorism financing has never been more important. The historical role of anti-money laundering and combating the financing of terrorism (AML/CFT) measures are now more apparent than ever.

3. We join the Ministers' Deputies of the Council of Europe in strongly condemning the continued aggression of the Russian Federation against Ukraine and confirm our full support for Ukraine and its people. We support the development of further proportionate legal responses to the aggression. We further note the grand corruption risks emanating from the top officials of the Russian regime and their organised crime links with Russian business elites. We call on states to take any possible further actions as appropriate for the seizure and confiscation of assets of sanctioned individuals and entities and those identified as the proceeds of unlawful conduct. We share the Financial Action Task Force's (FATF) view that the Russian Federation's actions run counter to the FATF core principles aiming to promote security, safety, and the integrity of the global financial system and that they also represent a gross violation of the commitment to international cooperation and mutual respect which is required to implement and support the FATF Standards. We share the concerns of the FATF on the reports of arms trade between the Russian Federation and United Nations sanctioned jurisdictions, and malicious cyber-activities emanating from Russia. We join the FATF call upon jurisdictions to remain vigilant of threats to the integrity, safety and security of the international financial system arising from the Russian Federation's war against Ukraine.

4. We recall the prominent outcomes of the Third Summit of the Heads of State and Government of the Council of Europe in Warsaw in 2005, which resulted in the opening for signature of the Warsaw Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism (CETS No. 198).

5. We value the special relationship with the FATF, which recognises MONEYVAL as an FATF-style regional body (FSRB) and as its Associate Member. We support the FATF priorities outlined in the FATF Ministerial Declaration in April 2022, and the Strategic Vision on the Future of the Global Network led by the FATF.

6. We emphasise that AML/CFT measures, when implemented correctly and effectively, are an important defence against threats to the rule of law, to democratic governance and to the integrity of financial systems. At the same time, we recognise that there is room to enhance the level of implementation of AML/CFT measures among MONEYVAL's member States and territories to ensure effectiveness of the national systems. We, therefore, commit to visibly enhance our compliance measures and effectiveness results within the next five years, and to demonstrate these improvements through our mutual evaluations.

7. We recognise the central role of MONEYVAL in regional efforts to combat money laundering, the financing of terrorism as well as the financing of proliferation of weapons of mass destruction. We note the efficiency of MONEYVAL's mutual evaluation programme and its notable impact on the development of national AML/CFT systems in the region. We commit to reinforcing the work of MONEYVAL in line with the priorities for the upcoming five years, as described below.

## **I. Mutual evaluations**

8. Mutual evaluations are the cornerstone of MONEYVAL's efforts to combat money laundering and terrorism financing. They are the main tool to identify shortcomings within domestic legal and institutional frameworks, as well as practical gaps and barriers to the effective functioning of AML/CFT systems. We commit to enhancing the political awareness in our states and territories about the importance of these evaluations and their implications.

9. We note the overall positive performance of MONEYVAL's member States and territories in the area of international cooperation and information exchange, and comparatively positive performance for national risk understanding and mitigation, private sector measures and pursuit of terrorism financiers. We regret unsatisfactory performance in all other areas, with particularly poor results on prosecution and conviction of money launderers and the confiscation and final deprivation of illegal proceeds. We support the call of the FATF President to establish benchmarks and tracking of our performance in confiscation, which we commit to apply in the upcoming round of mutual evaluations.

10. We value the trust placed in MONEYVAL by the FATF to be the first assessor body in the Global Network to launch the next round of mutual evaluations based on the new FATF Methodology. We are confident that MONEYVAL will meet the FATF's expectations. We invite the FATF to consider holding a joint Plenary meeting in Strasbourg with MONEYVAL during the next round of mutual evaluations.

11. We acknowledge the need for a greater number and professional quality of assessors to the evaluation process and encourage states and territories to contribute assessors in line with their capabilities. We take note of the system of rigorous assessor training and the high demands for successful graduates. We recognise the value of participation of our experts in MONEYVAL's assessments as a benefit to the development of our own domestic AML/CFT expertise and capacities.

12. We recognise mutual evaluations as the key driving force to build domestic AML/CFT capacities. We understand that government ownership and engagement in the mutual evaluation process is a key factor and a basic and irreplaceable element of the national AML/CFT mechanism in this regard. We shall maintain and fully observe confidentiality obligations vis-à-vis MONEYVAL and the Council of Europe.

13. We emphasise the importance of strict follow-up procedures and their equitable application to the members of MONEYVAL in cases of non-compliance. We trust MONEYVAL to apply its procedural steps in all cases where this is warranted, including the escalation measures envisaged by its Compliance Enhancement Procedures. We note the success that these procedures have had and continue to demonstrate.

## **II. Research and outreach**

14. We support MONEYVAL's intentions to launch empirical regional studies on materiality, supranational measures and, eventually, regional risks. We agree with the need for outreach to the private sector, non-profit organisations, academia and the investigative journalism community.

15. We recognise the unintended consequences that may result from the misapplication of AML/CFT standards, whether they impact non-profit organisations (NPOs), disenfranchised population groups, or the rights of specific individuals, while noting the risks of possible misuse of NPOs for illicit purposes. We also note cases of abuse of AML/CFT standards on various continents to target domestic civil opposition, religious, charitable and political groups. We deplore these practices and vow to prevent such abuse within the MONEYVAL membership. We shall consider the experience of other FATF-style regional bodies, which are developing procedures to deal with such cases.

16. We note the growing interest of the private sector for engagement with regional bodies, including MONEYVAL. We note the increasing use of artificial intelligence in AML/CFT compliance and emphasise the need to ensure proper respect for human rights and data protection safeguards in accordance with the applicable guidelines and standards of the Council of Europe.

## **III. MONEYVAL's role in the Global Network**

17. We commend MONEYVAL for its active role in the development of Global Network policies and initiatives, including the Strategic Vision on the Future of the Global Network. We also note the recent impact MONEYVAL has had on the development of FATF standards, particularly regarding the establishment of group-wide compliance requirements for non-financial businesses and professions. We note the relevance of these changes to close the loopholes in global regulation identified from the Panama Papers scandal.

18. We further encourage development of MONEYVAL's relationship with the FATF in order to promote regional perspectives, and the direct involvement of MONEYVAL members in FATF workstreams, which impact global standards and evaluation practices with the aim to disrupt international money laundering and terrorism financing infrastructure.

19. We note the utility of developing closer relationships with other FATF-style regional bodies in the Asia-Pacific, Middle East and Africa, Eurasia, Latin America and the Caribbean, as well as with the Egmont Group of Financial Intelligence Units. Engagements with these partners will bring important synergies and common solutions to emerging AML/CFT challenges.

20. We welcome the developing relationship of MONEYVAL with the European Commission and other institutions of the European Union. We underline the importance of further developing these ties, on a technical and operational level in light of the rapidly evolving landscape of AML/CFT bodies and agencies within the EU.

#### **IV. Engagement within the Council of Europe**

21. We recognise the advantages of MONEYVAL's position as a Committee of the Council of Europe and welcome the development of synergies with other Council of Europe bodies, including the Conference of the Parties to the Warsaw Convention (CETS no.198), the Group of States against Corruption (GRECO), the Group of Experts on Action against Trafficking in Human Beings (GRETA), and the Committee on Counter-Terrorism (CDCT), while acknowledging their diverse composition and mandate. We encourage MONEYVAL to further develop partnerships on a technical and operational level in new and emerging areas where the Council of Europe is actively advancing, such as artificial intelligence, data protection, combating the manipulation of sports competitions and others.

#### **V. Political support and visibility**

22. We acknowledge the pivotal role of MONEYVAL in assessing compliance with the principal international standards to counter money laundering, the financing of terrorism and the financing of proliferation of weapons of mass destruction, the effectiveness of their implementation, as well as in making recommendations to national authorities in respect of necessary improvements to their systems. We commit to continually providing the necessary political support domestically to implement the recommendations of MONEYVAL's mutual evaluations.

23. We shall also commit to constantly reinforcing the political messaging at the national level on the systemic detrimental effects of money laundering on the domestic and international development of our societies, economies and political systems.

24. We will encourage the engagement of qualified and reputable civil society members to reveal money laundering, terrorism financing and proliferation financing cases, and we pledge to deal with any such uncovered facts through appropriate criminal justice measures.

#### **VI. MONEYVAL development and resourcing**

25. We endorse the MONEYVAL Strategy for 2023-2027 as a sound basis for development of the Committee, and in line with the priorities we have outlined above.

26. We note that crucial elements of the Strategy require additional financing beyond the Council of Europe Ordinary Budget. Each MONEYVAL member shall consider the possibility of providing additional voluntary contributions and secondees to ensure the full implementation of the MONEYVAL Strategy throughout its implementation period. We also call on MONEYVAL's regional partners and observers to consider making such voluntary contributions.