



GLOBAL ORGANIZATION OF PARLIAMENTARIANS AGAINST CORRUPTION  
ORGANIZATION MONDIALE DES PARLEMENTAIRES CONTRE LA CORRUPTION  
ORGANIZACIÓN MUNDIAL DE PARLAMENTARIOS CONTRA LA CORRUPCIÓN

# GOPAC Anti-Money Laundering GTF Workshop

Friday 11 March 2011

**GOPAC Global Conference**  
**11 - 13 March 2011**  
**Mexico City**



# Workshop Agenda

- Part 1: Introduction - 5 min. – *Roy Cullen*
- Part 2: General comments on draft AML Action Guide - 15 min. – *RC / All*
- Part 3: Comments on each Action Guide chapter, etc. - 45 min. – *Panellists / All*
- Part 4: Discussion of GOPAC AML GTF Strategic Plan to roll out Action Guide - 20 min. – *RC / All*
- Part 5: Discussion on AML Resolution(s) to propose to the Conference - 5 min. – *RC / All*



# Part 2: Draft GOPAC AML Action Guide

- **General comments on draft Action Guide**

## **Part 2: General comments on Draft Action Guide**

- Presently comprises 8 chapters, 3 Appendices and 2 Annexes**



# Part 2: General comments on Draft Action Guide

- 1. Introduction**
- 2. What do Parliamentarians need to understand about Money Laundering?**
- 3. Size, Scale and Scope of Global Money Laundering**
- 4. Key Components of Anti-Money Laundering Legislation, Regulations and Guidelines**
- 5. Establishing a Financial Intelligence Unit (FIU)**
- 6. The Role of Parliamentarians in Combating Money Laundering**
- 7. International Organizations Involved in the Fight Against Money Laundering**
- 8. Acknowledgements**

## **Appendices:**

- A. Benchmark Anti-Money Laundering Legislation**
- B. Example FIU Organization Charts**
- C. GOPAC's Anti-Money Laundering Initiative**

## **Annexes:**

- 1. FATF 40 AML Recommendations**
- 2. Members and Observers of the FATF and the 8 FSRBs**

# **Part 3: Comments on Each Action Guide Chapter, Appendices & Annexes**

# Comments on Chapter 1 of Draft Action Guide

## **Introduction**

- Provides an overview of the whole document
- Notes that the Guide is designed so that Parliamentarians can selectively pick and choose those anti-money laundering initiatives that suit their particular environment and state of evolution.

# Comments on Chapter 2 of Draft Action Guide

## **What do Parliamentarians need to understand about Money Laundering?**

### **Topics:**

- Why do corrupt officials need to launder their money?
- What is Money Laundering?
- Money laundering cycle
- Typical Money Laundering Schemes



# Comments on Chapter 3 of Draft Action Guide

## **Size, Scale and Scope of Global Money Laundering**

### **Topics:**

- Size & scale of money laundering
- Stages of money laundering
- Main beneficiaries of money laundering
- Importance of Standards
- Role of Parliamentarians
- Costs & benefits

# Comments on Chapter 4 of Draft Action Guide – Slide 1

## **Key Components of Anti-Money Laundering Legislation, Regulations and Guidelines**

### **Topics:**

- Key issues of an anti-money laundering regime (how big to set the ‘net’; defining suspicious transactions; solicitor/client privilege; financial intermediaries; privacy issues; monetary instruments; burden of proof; telegraphic transfers & internet banking)
- Other key challenges
- FATF 40 + 9 Recommendations provide essential framework & standards
- Prevention
- You are not alone – 180+ countries in FATF & FSRBs (complete list of members & observers in Annex 2)

# Comments on Chapter 4 of Draft Action Guide – Slide 2

## **Key Components of Anti-Money Laundering Legislation, Regulations and Guidelines**

### **Topics:**

- Monitoring & evaluation – all countries are evaluated
- Public Reports Mean Business
- What are FATF 40 + 9 Recommendations (table of the 40 Recommendations that highlights key objectives of each in Annex 1)
- Politically Exposed Persons (PEPs):
  - Extract from StAR paper with key PEPs actions and recommendations
- Stolen Asset Recovery
- Note of Caution

# Comments on Chapter 5 of Draft Action Guide

## Establishing a Financial Intelligence Unit (FIU)

### Topics:

- Introduction
- Importance of FIUs – How can Parliamentarians support them
- Part 1: Establishing an FIU
  - 4 Types of FIUs (*Appendix B shows 3 different FIU organization charts*)
- Part 2: Core functions of an FIU
  - Receiving financial transactions
  - Analysis
  - Canadian model flow chart of how FIU works
  - Sharing intelligence with law enforcement and international partners
  - Reactive disclosure
  - International requests
- Part 3: Parliamentarians role with FIUs

# Comments on Chapter 6 of Draft Action Guide

## **The Role of Parliamentarians in Combating Money Laundering**

### **Topics:**

- UNCAC & its money laundering articles
- AML part of UNCAC review mechanism
- AML part of the UNDP-GOPAC Self Assessment Toolkit for Parliamentarians
- FATF Mutual Evaluation Programme
- FATF evaluation of non-cooperative countries
- Challenging the executive branch
- Assuring that FIUs are properly established, funded and operating

# Comments on Chapter 7 of Draft Action Guide

## **International Organizations Involved in Fight Against Money Laundering**

### **Topics:**

- Egmont Group
- FATF
- 8 FSRBs
- International Monetary Fund (IMF)
- Interpol
- Transparency International
- UNODC (UNCAC)
- World Bank

# Comments on Chapter 8 of Draft Action Guide

## Acknowledgements

# Comments on the 3 Appendices of the Draft Action Guide

- A. Benchmark Anti-Money Laundering Legislation
- B. Example FIU Organization Charts
- C. GOPAC's Anti-Money Laundering Initiative



# Comments on the 2 Annexes of the Draft Action Guide

1. **FATF 40 (AML) Recommendations**
2. **Members and Observers of the FATF  
and the 8 FATF Style Regional Bodies**

# **Part 4: Discussion of GOPAC AML GTF Strategic Plan to roll out the Action Guide**

**Part 5: Discussion on AML  
Resolution(s) to propose to the  
Conference**

# Draft Resolutions

## **The GOPAC Anti-Money Laundering (AML) Global Task Force (GTF) shall:**

- finalize the GOPAC AML Action Guide for Parliamentarians and the Strategic Plan to roll it out, incorporating conference workshop advice; and
- approve the updated GOPAC AML policy position and the related updating of the AML section of the *UNDP/GOPAC UNCAC Monitoring and Assessment Toolkit*.

# Draft Resolutions

- *Are the questions in the following slide adequate for the Anti-Money Laundering section of the UNDP/GOPAC UNCAC Monitoring and Assessment Toolkit?*

# UNDP/GOPAC UNCAC Monitoring & Assessment Toolkit

<b>GOPAC Policy Checklist Elements</b>	<b>UNCAC articles</b>	<b>Questions/Indicators of parliamentary engagement in UNCAC implementation and review</b>
<p><b>13. Money laundering and recovery of assets</b>  <i>To what extent are parliamentarians working in harmony with government and expert international organizations to legislate, oversee and build public support to prevent money laundering and improve the potential for recovery of stolen assets?</i></p>	<p><b>14, 58</b></p>	<p><b>13.1 On legislative provisions and practices</b>            13.1.1. Is there legislation in place for prevention and detection of money laundering, including requirements of effective customer identification, record-keeping and reporting suspicious transactions by financial institutions? Is the legislation comprehensive?            13.1.2 Has a financial intelligence unit (FIU) been established to serve as a national centre for the collection, analysis and dissemination of information regarding potential money-laundering?            13.1.3 Does the national financial intelligence unit (FIU) report to Parliament and respond to recommendations?            13.1.4 Is Parliament engaged in the reallocation of recovered public funds?</p>