



## **CO-CHAIRS STATEMENT**

### **20<sup>th</sup> PLENARY OF THE EGMONT GROUP OF FINANCIAL INTELLIGENCE UNITS**

The Egmont Group of Financial Intelligence Units (FIUs) met this week in Saint Petersburg, Russia to discuss ways to meet the challenges being faced in international cooperation in the sharing of information and financial intelligence between FIUs to support international AML/CTF efforts.

The 20<sup>th</sup> Egmont Group Plenary was attended by over 300 participants who were representatives of FIUs from 109 jurisdictions and 17 international organizations. The Egmont Plenary, held annually, brings together the Egmont member FIUs and observer organizations for training and in-depth discussions to further the development of the international FIU network.

The Plenary was co-chaired by Mr. Boudewijn Verhelst, Deputy Director of the Belgian FIU, and Mr. Yury Chikhanchin, Director of the Federal Financial Monitoring Service (Rosfinmonitoring).

An opening address from the President of the Russian Federation, Mr. Vladimir Putin, was delivered by Mr. Yury Chikhanchin and highlighted the important role the Egmont Group plays in the fight against money laundering through its “ability to bring together powerful intellectual and technical resources dedicated to the exchange of information”.

In his response, the Chair of the Egmont Group noted that “the hosting of the Egmont Plenary, as well as Russia’s involvement and leadership in many other prestigious AML/CFT international bodies, signals the strong commitment the Russian Federation has to preventing and combating money laundering and terrorism financing not only in this vast country, but also in the region.”

The Chair continued, “Rosfinmonitoring joined the Egmont Group in 2002 and has been a very active and respected member ever since. The FIU has been described as the ‘cornerstone’ of the Russian AML/CFT system, but it has also played an invaluable role in encouraging the development of FIUs and the strengthening of the Egmont Group in the region.”

The Co-Chairs congratulated the FIUs of Gabon, Jordan, Tajikistan and Tunisia who were endorsed as new members of the Egmont Group during the meeting. The Chair of the Egmont Group noted that these new members will strengthen the global network of information sharing in areas of particular strategic and regional significance.

The Heads of FIUs also endorsed a new Executive Secretary of the Egmont Group. Mr. Kevin Stephenson will join the Egmont Group from the World Bank, where he was a Senior Financial Sector Specialist. Mr. Stephenson replaces Ms. Bronwyn Somerville, who has been in the position since 2007.

Recognizing the areas of mutual interest and the opportunities for cooperation, the Heads of FIUs granted Observer Status in the Egmont Group to the Organization for Security and Cooperation (OSCE). It is hoped that fruitful opportunities for joint outreach and capacity-building will arise from this partnership.

In addition to the growth in membership, 65 bilateral cooperation agreements were signed between Egmont members during the week. Whilst information can, in most instances, be exchanged between FIUs without

recourse to Memoranda of Understanding (MOUs). The cooperation agreements signal an ever-increasing willingness for Egmont members to work together across borders in the exchange of information. This will deliver very practical results in expanding and systematizing the flow of intelligence and fostering better communications among FIUs.

The Egmont Group is undergoing an overhaul of the founding documents of the Group to ensure they remain relevant in guiding the aims and objectives of the organization moving forward. The Heads of FIUs spent the majority of the meeting time focusing on proposals to revise the Charter and associated documents that had been developed by the two work streams (legal and corporate) of the Charter Review Project (CRP).

The Corporate Group proposals included *inter alia* consideration of: the values, accountability; internal structure, external relations and operations of the Egmont Group; issues to do with effectiveness and mechanisms for addressing compliance with the Egmont Group standards/requirements; including links to the FATF and regional bodies in the Egmont Group Charter; and ways of enhancing access to the Egmont Group for Egmont members and non-members at the regional level.

The Legal Group presented proposals and relating to the definition of an FIU; dissemination upon request; obtaining information from reporting entities; MOUs; reciprocity; cases for refusal; obligations for the requested FIU; diagonal cooperation; and postponement of suspicious transactions. The CRP work for both groups will continue over the next year.

The Egmont Regional Representatives again met with representatives of FSRBs. The main focus of the meeting was to share information on the aims, objectives and development of regional FIU forums, as well as the challenges being faced in each region with respect to implementing the revised FATF Recommendations. The commonalities were noted and drew a proposal for a joint meeting of the FSRB Secretariats, the Egmont Group and the chairs of the various regional FIU forums to discuss matters of mutual interest and possible solutions.

Eight training sessions held throughout the plenary week focused on topics of contemporary operational concern to FIUs: Regulatory Issues – the real estate sector; Legal systems and the role of FIU information; The AML/CFT risks and preventative measures involved in new financial products; The results of the joint Egmont / World Bank study on FIU Power to Postpone; FIU cooperation with law enforcement and anti-corruption agencies; Methods for providing feedback and communicating with law enforcement entities; The FIU Information System Maturity Model (FISMM); and Operational and analytical methods.

The open plenary session provided a high level overview of the revision of the FATF recommendations relevant to FIUs and what technical assistance is available from international organizations to assist in implementation; as well as reports from the Egmont working groups on their work over the year and what lies ahead.

In the second year of the Best Egmont Case Award (BECA) the 2012 finalists - AMLC Philippines and Rosfinmonitoring, Russia - presented their cases to the plenary. After all votes were counted, Rosfinmonitoring was declared the winner of the 2012 BECA trophy.

The Egmont Group is grateful to the Russian Federal Service for Financial Monitoring (Rosfinmonitoring) for so efficiently delivering the 20<sup>th</sup> Egmont Plenary meeting in Saint Petersburg, and acknowledges the valuable contributions that Rosfinmonitoring has provided to the activities of the Egmont Group since its admission as a member in 2002. Rosfinmonitoring, as a member of the Egmont Group, FATF, EAG and MONEYVAL provides active leadership on international AML/CTF efforts.

Saint Petersburg, Russia  
13 July 2012

## **Background**

In 1995 a number of financial intelligence units (FIUs) began working together in an informal organisation known as the Egmont Group. Named for the location of the first meeting at the Egmont-Arenberg Palace in Brussels, the goal of the Egmont Group is to provide a forum for FIUs to improve support to their respective national anti-money laundering and anti-terrorist financing programs.

The FIUs are central, national authorities responsible for receiving, analyzing, and disseminating to competent authorities, disclosures received from the respective financial and non-financial sectors.

The place of FIUs is now well established in the arsenal of measures to combat serious crimes. To ensure the effectiveness of these measures, each FIU must adhere to all of the Egmont Group principles. One of the major principles of the Egmont Group is to enhance the potential for bilateral and multilateral international collaboration in strategic analysis among the FIUs.

Further information about the Egmont Group and a list of Egmont member FIUs can be found at [www.egmontgroup.org](http://www.egmontgroup.org). The Egmont Group 2010-2011 Annual Report is also available on this website.