



## **CO-CHAIRS' STATEMENT 25<sup>th</sup> PLENARY OF THE EGMONT GROUP OF FINANCIAL INTELLIGENCE UNITS**

The 25th Egmont Group Plenary took place between 24-27 September 2018 in Sydney, Australia. Ms. Hennie Verbeek-Kusters, Egmont Group Chair/ Head of FIU-Netherlands and Ms. Nicole Rose PSM, AUSTRAC CEO, chaired the meeting. 419 delegates (including 23 observers and international partners) gathered to advance work on FIU operational independence and autonomy and to identify the role public-private partnerships (PPPs) can play in the fight against money laundering and the financing of terror.

### **Operational Independence and Autonomy**

The Egmont Group is convinced that operational independence and autonomy is an essential criterion of FIU effectiveness, amongst other factors, in the fight against corruption. In fact, it has been one of the most pressing issues for members that have faced compliance matters.

In response to a growing need for support, the Egmont Centre of FIU Excellence and Leadership (ECOFEL) has produced a paper on FIU Operational Independence and Autonomy. The Heads of FIU endorsed the paper, which defines the characteristics of operational independence and autonomy and identifies the challenges FIUs may face. The paper can also be used as a resource to help increase understanding of the topic. It will be published in the coming weeks to ensure its broad use.

Introduction of the paper was supported by an ECOFEL executive training session, based on the experiences of four Egmont Group members. Heads of FIU questioned and discussed the case studies in a live and interactive session.

### **Public-Private Partnerships (PPPs)**

The plenary recognized the importance of private and public sector cooperation to harness collective capabilities in our joint fight against financial crime.

Addressing the topic from the perspective of FIUs, the plenary discussed the many contexts, opportunities, and challenges FIUs face when participating in PPPs. The plenary agreed that PPPs can, in a number of jurisdictions, enhance the quality of reporting, improve the expertise and knowledge of all partners as well as provide more flexibility and agility to respond to the fast-changing ML/TF threat environment. The plenary also acknowledged the legislative, technological, and cost barriers that can exist in the formation of public-private partnerships.

Ultimately, despite their form, structure or objective, the plenary concluded that PPPs should:

- be set up in co-creation, starting strategically with a focus on priority issues;
- be based on mutual trust and oriented to meet the needs of the FIUs;
- be goal-oriented, create mutual benefits and add value to all partners;
- consider the size and characteristics of the jurisdiction, and its risk and context (“one size does not fit all”);
- complement the existing STR/SAR reporting regime.

### **Corruption Indicators**

The Heads of FIU approved a set of indicators for corruption related cases, from the perspective of FIUs. The indicators can be used as a tool to help identify transactions and clients related to the money laundering of the proceeds of corruption. The Egmont Group agreed to continue to update the list of indicators through engagement with the private sector.

## Membership

The FIUs of Azerbaijan, Benin, the Republic of Congo and Zambia were welcomed as new Egmont Group members following endorsement by the Heads of FIU. Membership now stands at a total of 159 FIUs. The efforts of the new members were recognized, and their sponsors commended for their support throughout the application process.

The Heads of FIU concluded that legislative changes in Nigeria addressed the issues that led to its suspension in 2017. Consequently, the suspension on Nigeria was lifted. The NFIU can now participate in all Egmont events and activities with the full rights of a member.

The Heads of FIU also decided to suspend UIF El Salvador due to a continuous lack of compliance with Egmont Group principles relating to operational independence and autonomy. UIF El Salvador is now excluded from all Egmont Group events and activities. The Heads of FIU recognized the efforts of UIF El Salvador in working to address these concerns through a legislative process, but concluded that its operational independence and autonomy cannot be assured. Additional measures could be adopted by the Heads of FIU at the next Egmont Plenary in the Netherlands (July 2019) should no progress be made to correct this deficiency.

## Other highlights from the 25th Egmont Plenary:

- Endorsement of a new Strategic Plan that focuses on enhancing bilateral and multilateral exchanges of financial information between FIUs, as well as strengthening FIU capability by leveraging traditional and non-traditional partnerships.
- Four Operational Training Sessions focused on developing financial intelligence and analytics. Topics covered Virtual Currency Regulation and Analysis, Cyber & Emerging Technologies, Professional Money Laundering Networks, and FIU collaboration with Law Enforcement Agencies.
- FIU France shared an update on the 'No Money for Terror' declaration which was delivered at the CT Conference hosted by France in April 2018. The update focused on the Egmont Group's contribution to the international conference, the outcomes of the event, and the move, by FIUs, towards enhanced engagement in combating terrorist financing. AUSTRAC CEO, Nicole Rose PSM, announced that the next CT Conference will be hosted by Australia.
- FIU Ukraine (SDFM) was voted the winner of this year's Best Egmont Case Award (BECA), with a case that demonstrated successful interaction between national and foreign authorities leading to the confiscation of a significant amount of criminal assets.
- Further recognition was given to UIF Italy and FIU-Peru. Both received the StAR (Stolen Asset Recovery Initiative) award for successfully recovering assets from multijurisdictional operations that involved corruption.

All members of the Egmont Group of Financial Intelligence Units are grateful to AUSTRAC for hosting the 25<sup>th</sup> Egmont Plenary in Sydney. The Egmont Group acknowledges the long-standing contribution of AUSTRAC to the Group as one of its founding members in 1995, and past plenary host in 2003.

Sydney, Australia  
5 October 2018

Further information about the Egmont Group and a list of Egmont member FIUs can be found at [www.egmontgroup.org](http://www.egmontgroup.org).