



Editorial

The current global financial crisis has dramatically altered the significance of international anti-money laundering and counter-terrorism financing (AML/CTF) regimes.

The rapid increase in crime and money laundering, in addition to the many and varied criminal opportunities created by the crisis are growing threats to the stability of the global financial system.

A widely held view is that an effective AML/CTF regime can protect financial system stability highlighting the significant role of Financial Intelligence Units and the Egmont Group.

The President of Guatemala, the Honorable Mr. Alvaro Colom Caballeros during his opening address at the Working Group Meetings held in Guatemala City, 2-5 March, stressed the importance of financial intelligence in the fight against crime and sincerely thanked the Egmont Group for their work and the role that they play in facilitating the collaborative work of FIUs.

Thank you to IVE-Guatemala and the Superintendency of Banks, together with the Egmont Secretariat team, for their dedication and exceptional efforts in making the meetings a huge success.

I would also like to take this opportunity to thank the many Egmont members who continue to work tirelessly to progress the important work of the Egmont Group.

*Neil J Jensen
Chair, Egmont Committee
Chair, Training Working Group*

EGMONT COMMITTEE

Egmont Group and International Organisations

The Egmont Group recognises its important role in facilitating communication and working collaboratively with other International Organisations to increase the capabilities and effectiveness of all FIUs

During the meeting in Guatemala, a representative from the Wolfsberg Group attended the Committee meeting to discuss areas of mutual interest and benefit.

The Operational Working Group (OpWG) have already identified areas of joint interest including the provision of training on new financial products and services, the vulnerabilities of financial products and services, as well as joint typologies work.

The Egmont Committee endorsed the concept of a Roundtable with the Wolfsberg Group and a limited number of other similar private sector organizations, to facilitate communication between the private and public sectors.

A procedure for granting observer status to groups such as the Wolfsberg Group will be discussed at the next Egmont Plenary meeting in May 2009.

The Egmont Committee also agreed to invite the FSRBs to a meeting with the Egmont Regional Representatives in the margins of the upcoming plenary. It is hoped that this will enhance the dialogue and cooperation between the Egmont Group and the FSRBs, particularly with respect to regional training and mutual evaluation activities. The Committee also noted that the Chair of the Outreach Working Group had attended a meeting of IOSCO's Standing Committee 4 (SC4), which deals with enforcement and exchange of information. The IOSCO had requested the meeting in order for the members of SC4 to have a clearer understanding of the work of the Egmont Group and FIUs, in order to integrate this knowledge with their work and consultation into the future.

Egmont Group Strategic Plan

The Egmont Group Strategic Plan 2009-2012 was discussed by the Egmont Committee during the meeting in Guatemala last month. The Strategic Plan provides an outline of the future direction of the Egmont Group and will be a guide to the individual Working Groups in developing their Annual Business plans.

Once the draft has been approved, a strategy for monitoring and reporting on the results/progress of the Egmont Group will be developed.

The Strategic Plan will become a public document to promote openness and transparency in the work of the Egmont Group.



Governance model for electing the Chair of Egmont Committee

As part of the Egmont Group Strategic Plan, the Egmont Committee is developing a governance model to address succession planning and the selection process for the Chair of the Egmont Committee.

The Committee has examined a number of models used by other international organizations and agreed that the model that would best suit the Egmont Group would allow for a broader selection process, whilst maintaining a consensus approach to decision-making.

This model will be developed and put to the Heads of FIUs for approval during the plenary meeting in May this year, to facilitate the selection process of future Egmont Chairs.

LEGAL WORKING GROUP

Library of court decisions

The Legal Working Group (LWG) is currently developing a library of court decisions for use by all Egmont members. The library will contain general information about each Financial Intelligence Unit (FIU) as well as a proposed work flowchart and court rulings. The court rulings will be summarized and translated into English.

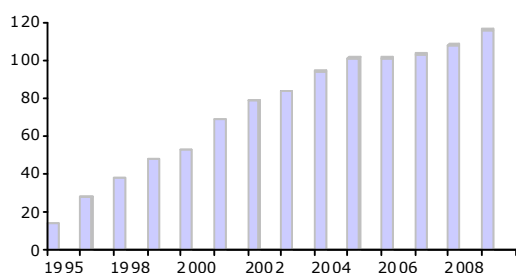
Principles of information exchange

The LWG reinforced a ruling made by the Egmont Group that encourages the broadest information exchange and does not limit this exchange of information to between Egmont members exclusively. It is however, up to each FIU to decide which counterparts outside the Egmont Group they will share information with.

New Egmont members

The Legal and Outreach Working Groups continue to work with newly established FIUs to assist them in their application for Egmont membership. This work is also assisted by the Egmont Regional Representatives.

During the 17th Egmont Plenary meeting the LWG will recommend a number of new candidates to the Heads of FIUs for Egmont Group membership.



Growth in Egmont Group membership

TRAINING WORKING GROUP

Future training products

The Training Working Group (TWG) continues to develop training packages using the same model as the tactical analysis training.

Additional training material includes training on Mutual Evaluations (ME) as well as the development of a training package on strategic analysis in response to the demand that was identified in the training needs analysis and 2007 Biennial Census.

The TWG is also continuing to compile a library of information on new financial products.

Tactical analysis training package

The Egmont Group delivered two trial workshops of the Tactical Analysis Training in Sweden in December 2008. Thirty six participants from the FIUs of Sweden, Denmark, Finland and The Netherlands attended the workshops. Both workshops received excellent feedback and attending FIUs expressed their appreciation to the Egmont Group for providing such valuable training.

The FIUs of Bermuda and The Netherlands Antilles will be jointly hosting a second trial workshop in the Caribbean in July this year. Eighteen FIUs from the region have been invited but it is envisaged that

additional workshops will be delivered if there is demand in the region. Participants from Latin America will also attend in view of training Spanish speaking presenters to provide training from Central and South American FIUs.

The World Bank is also organising a joint World Bank/UNODC/Egmont workshop in Central Asia in October 2009. The TWG will continue to liaise with the international organisations to meet the demand for training in other regions.

Mutual Evaluation Training Package

The TWG is continuing to develop the Mutual Evaluation Training Package. This training package will provide information on how different FIUs are able to meet the FATF recommendations and examples of evidence that can be presented to demonstrate compliance.

The training material will be used to train future Mutual Evaluators of FIUs and will also help FIUs who are preparing for an evaluation.

The package will be submitted to the HoFIUs for approval at the next plenary meeting in May 2009.

IT WORKING GROUP

goAML update

The United Nations Office on Drugs and Crime (UNODC) Information Technology Service reported that they have completed successful installations of goAML in Nigeria, Kosovo and Namibia and a number of additional FIUs have also expressed interest in the product.

The Nigerian FIU reported that their analysts have recently received more extensive training from the UNODC on using the goAML product. They have also had the goCASE application installed and hope to evaluate both the new tool and the use of their new skills over the next six months.

A number of additional FIUs who have expressed interest in installing goAML look forward to receiving feedback on the functionality of the product.

OPERATIONAL WORKING GROUP

Asset Recovery Predictive Intelligence System

The Operational Working Group (OpWG) reconstituted the pilot group to test and evaluate the Asset Recovery Intelligence System (ARIS). This tool is an information platform to notify FIUs of the names of individuals, their networks and proceeds related to corruption, using information from open and commercial sources that has been developed by the International Center for Asset Recovery (ICAR).

ICAR will develop a project plan for the pilot which will be launched in May 2009 at the next Egmont Plenary meeting.

Information Exchange Enhancement Project

Members of the OpWG briefly explained the methodology on the proposed study on the quantity of information exchanged among Egmont Group members to determine the effectiveness, efficiency and the value of the information.

As part of the study a matrix/table will be developed to collect statistics on information exchanges, as well as qualitative data. In the future this information collection will be included in the Biennial Census.

OUTREACH WORKING GROUP

Decision on recommending candidates to the Heads of FIUs during the 2009 Plenary

The main focus of the OWG agenda was to determine which candidates, whose operational status has been previously confirmed by OWG members acting as sponsoring FIUs, should be recommended for membership of the Egmont Group. Based on documentation provided and reports of onsite visits implemented by the OWG members, it was agreed that a number of candidate FIUs will jointly be presented with the Legal Working Group (LWG) to the Heads of FIUs at the next Plenary for final membership approval.

Situation of Candidate jurisdictions

The situation of 100 jurisdictions listed on the Candidates Matrix was reviewed focusing on countries undergoing the membership process, including those who are in the final stage of becoming operational and, according to the sponsors, eligible to be invited as observers at the next Plenary meeting.

Outreach to the African Region

In accordance with the Egmont Group African Outreach and Assistance Strategy, one of the main priorities of the Outreach Working Group (OWG) for 2009-2010 will be to reach out to FIUs in the African region. Sponsors have been allocated to most countries in the region. The Nigerian FIU will assist the OWG in identifying FIUs that need a second sponsor to assist in becoming an Egmont member.

The OWG has also been working with different international organizations to obtain additional information on the status of each of the FIUs in the region. The FATF Style Regional Bodies (FSRBs) have provided information which will assist the OWG to update the Candidates Matrix. The UNODC-ITS and UNGPML will also be working with a number of FIUs in the region and will be able to provide updates on developments to the OWG.

Membership application documents

The OWG during the Guatemala City Working Group meeting finalized discussions on the "Membership Application Package" (MAP) which was created to assist and inform candidate FIUs on Egmont Group membership procedures.

The package will soon be published on the Egmont Group Public Website and describes the different steps, processes and timelines that a prospective new member needs to follow before its candidacy is presented to the HoFIUs for decision.

Collaboration with international organisations

The International Monetary Fund (IMF) in December 2008 conducted a workshop in Austria that focused on building an effective Financial Intelligence Unit (FIU) and the new membership procedures that have been developed by the Egmont Group.

During the workshop eight potential Egmont Group member FIUs provided presentations on their Anti-Money Laundering/Counter-Terrorism Financing (AML/CFT) progress which were later forwarded on to the appropriate sponsors of non-Egmont members.

REGIONAL REPRESENTATIVES REPORTS

European Region

The Egmont European regional representatives have been monitoring FIUs in the region to determine and provide assistance and guidance where required.

In the European Union, the FIUs have been at the heart of the implementation of the third directive on money laundering which is an important step forward in the AML/CFT fight. Only three countries of the European Union have not implemented it as yet and four countries have partially implemented the directive.

In December 2008, the Egmont Training Working Group (TWG) provided tactical analysis training in Stockholm, Sweden. Participants from the FIUs of Finland, Denmark, Sweden and The Netherlands were thankful to the Egmont Group for providing the training and the Swedish FIU for hosting the event.

The value of FIUs working together and sharing knowledge and experiences was highlighted by participants throughout the workshop.

Asia Region

Since the last Egmont Plenary Meeting in Seoul, there have been various initiatives under taken throughout the Asian region to further strengthen the AML/CFT regime, with emphasis on relationship building and training, as well as cooperation on sharing of information and implementation of specific FATF recommendations. Egmont members have been working together to develop and provide training for FIU operational staff, as well as maintaining on-going sponsorship for Egmont membership.

Africa Region

The Inter-Governmental Action Group Against Money Laundering in West Africa (GIABA) will provide training for non-Egmont member Financial Intelligence Units from their region in Benin, March 2009. The training will be conducted in collaboration with the Legal and Constitutional Affairs Division of the Commonwealth Secretariat and the Office of Technical Assistance, United States Treasury. The Egmont Regional Representative for the Africa region and Head of the Mauritius Financial Intelligence Unit (FIU) will provide a number of presentations relating to FIUs and the Egmont Group.

Oceania Region

The Australian Anti-Money Laundering Assistance Team (AMLAT) continues to provide technical assistance and training to FIUs in the Oceania region and most recently co hosted a financial analysis workshop in Australia in November in 2008 with AUSTRAC, the Australian FIU.

The Americas Region

An Egmont Americas regional representative attended the XXVIII Plenary and XV Ministerial meetings of the Caribbean Financial Action Task Force (CFATF) and provided a presentation on Egmont membership procedures and the current work of the Egmont Group.

An Egmont Americas regional representative also provided a presentation at the GAFISUD meeting in December 2008 on the general principles of the exchange of information and the Egmont Group.

At the recent Egmont Working Group and Committee meetings, FIU Mexico offered to help the Spanish speaking FIUs from Central and South America that are unable to attend Egmont meetings in order to provide follow-up on certain issues of their particular interest.

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