



The Egmont Group International Bulletin

October 2007

Editorial

The Working Group meeting in Kiev was the first meeting to be held since the formation of the Egmont Secretariat.

The Secretariat gave invaluable support to all delegates during the meeting and will continue to work with the Committee and other Egmont members in establishing a clear direction for the Egmont Group.

As more Financial Intelligence Units become Egmont members, the Committee welcomes new ideas as well as the active participation in the work that the Egmont Group is currently undertaking.

The working groups continued to progress their work in Kiev, with the exception of the Legal Working Group which was not required to meet.

Neil J Jensen
Chair, Training Working Group

EGMONT COMMITTEE

The Committee was pleased to note some significant progress in the introduction and passage of terrorist financing legislation, however it simultaneously acknowledged that some jurisdictions still have outstanding work on this matter. These Financial Intelligence Units (FIUs) will be contacted prior to the 2008 Plenary.

The Committee agreed to support the Secretariat in engaging a researcher to analyse the results of the Biennial Census to enable a database of Egmont Group member 'statistical' information to be created to assist future enquiries from internal and external users.

The Committee spent a significant part of the second day discussing the future structure of the Egmont Group Heads of FIUs meeting and Plenary. This discussion included the appropriate involvement of FSRBs, the possibility of using some meeting time to discuss topical issues of relevance to all Heads of FIUs and the timing and the number of Working Group meetings.

FIU-in-a-Box Steering Committee

The FIU-in-a-Box Steering Committee met to discuss the pilot program of FIU-in-a-Box.

The evaluation and assessment phase of the project has been completed and the FIU-in-a-Box Steering Committee are now in the process of determining a candidate FIU for deployment of a pilot program.

IT WORKING GROUP

An overview of the preliminary design for the Trends and Typologies database which is being developed by the Operational Working Group (OpWG) was provided. The IT Working Group (ITWG) provided a few minor suggestions. The overall response to the design was very positive.

The International Monetary Fund (IMF) provided feedback on a joint IMF/ITWG seminar held in Vienna in August 2007. This was the third time the ITWG has collaborated with the IMF to assist developing Financial Intelligence Units (FIUs) capacity in countries within Eastern Europe. Plans to conduct another seminar in Vienna in 2008 are underway and the Beirut seminar is to be rescheduled.

A couple of FIUs provided presentations on their IT systems which have been developed to further increase their analytical abilities.

Each of the ITWG subgroups prepared new work plans for the 2007/2008 year, culminating with deliverables for the 2008 plenary. These include additional IT-related presentations, software product evaluations and further enhancements to Egmont Secure Web and FIU.net.

OPERATIONAL WORKING GROUP

The Corruption and E-Money Laundering Projects were discussed during the meeting in Kiev. It is intended that these projects will be concluded at the next Operational Working Group (OpWG) meeting to be held early next year.

The OpWG finalized papers on the Information Sharing Project which focuses on improving the exchange of information between Financial Intelligence Units (FIUs).

The OpWG discussed with representatives of the Financial Crimes Enforcement Network (FinCEN) the expansion of the ESW to include a Typologies and Indicators Database for FIUs.

A new sub-group was formed to develop a paper that addresses the role of the FIU in combating the financing of terrorism. A further new sub-group will study money laundering vulnerabilities of cash-based economies from an FIU perspective.

Reflecting work already being carried out by the FATF on the Proliferation of Weapons of Mass Destruction, the OpWG will prepare a Fact Finding survey which will be developed to enable a compilation of information on the

role of the FIU in the context of the FATF working group and plenary discussions on this topic.

International Organisations

International Monetary Fund

Further discussions were held between the Egmont Group and the International Monetary Fund (IMF) regarding the results on the survey undertaken by the IMF on the *Performance of Financial Intelligence Units*. This paper has now been forwarded to the Committee for further consideration and it has been agreed that the IMF will refine the analysis so that the results of this survey distinguish between Egmont members and non Egmont members.

The IMF gave an overview of the IMF's technical assistance efforts with respect to Anti Money Laundering/Counter Terrorism Financing (AML/CFT). The IMF has also been working with countries in Central Asia to assist them in becoming Egmont members.

The World Bank

An interim report on a pilot survey on FIU Governance and the role of FIUs in combating corruption, initiated by the World Bank in a joint effort with the Egmont Group, was presented by the World Bank representative and discussed by the Committee. The Committee agreed to enhance its involvement in the future development of this project.

The Egmont Secretariat

The Egmont Secretariat is now fully staffed and has moved into its permanent location in Toronto.

The Executive Secretary acknowledged the important transition phase of the Egmont Group and acknowledged the significant efforts of all former Permanent Administrative Support Secretariats. In addition to this, the Secretariat would like to recognise the significant work of the Egmont Implementation Committee and the Secretariat sub-group.

TRAINING WORKING GROUP

Tactical Analysis Workshop

The draft training material for a Tactical Analysis Workshop was presented to the Training Working Group (TWG) during the meeting in Kiev and information gaps were identified. The updated package will be discussed at the next working group meeting and the final product will be presented to the Egmont Committee for approval at the Plenary.

The TWG is currently assessing the need to extend the scope of the training material on financial products beyond offshore financial products to include new financial products. Additional topics will be decided on at the next working group meeting.

In response to the training needs analysis, the TWG has also agreed to develop additional training material on the subject of strategic analysis.

The Egmont Committee also asked that the TWG develop a package for training evaluators for the FIU component of FATF etc mutual evaluations.

Training and Breakout Sessions for Seoul Plenary Meeting

The topics for next year's training and breakout sessions to be delivered during the plenary meeting were discussed. Members of the TWG agreed that terrorism financing (TF) is an important issue and proposed to devote the plenary training and breakout sessions to this topic. The TWG will work closely with the Operational Working Group (OpWG) and the Legal Working Group (LWG) to develop an effective program.

Database for Sanitised Cases

The OpWG demonstrated the Typologies and Indicators Database that is currently under development. Discussions took place and it was agreed that the current specifications for the database could accommodate the requirements of both the OpWG and the TWG sanitised cases project

It is envisaged that this new database will allow easy access to unrestricted sanitised cases via the Public Egmont Website (ESW).

OUTREACH WORKING GROUP

Discussions continued on how to enhance synchronization of the evaluation of new candidates by the Legal Working Group (LWG), with implementation of the Egmont Group's revised membership procedure. The aim of the new procedure is to enhance efficiency and avoid duplication of efforts. Members of the working group strongly advocated a process whereby the LWG has already reviewed the candidate's legislation prior to an onsite visit by representatives of the Outreach Working Group (OWG). Adopting this procedure will assist the candidate FIU in its preparations to become an Egmont member.

The OWG met with a representative of the IMF and discussed further enhancement of communications between the OWG and International organizations with regard to information exchange on prospective Egmont Group members. The discussion recognized the shared interests in the work of the OWG and the international organisations. The OWG concluded that the partnership with the international organisations has already assisted in reaching out to new candidates and this can be strengthened in the future.

Contact details for the Egmont Secretariat

Phone: Phone: +1 416 355 5670

Email: mail@egmontsecretariat.org