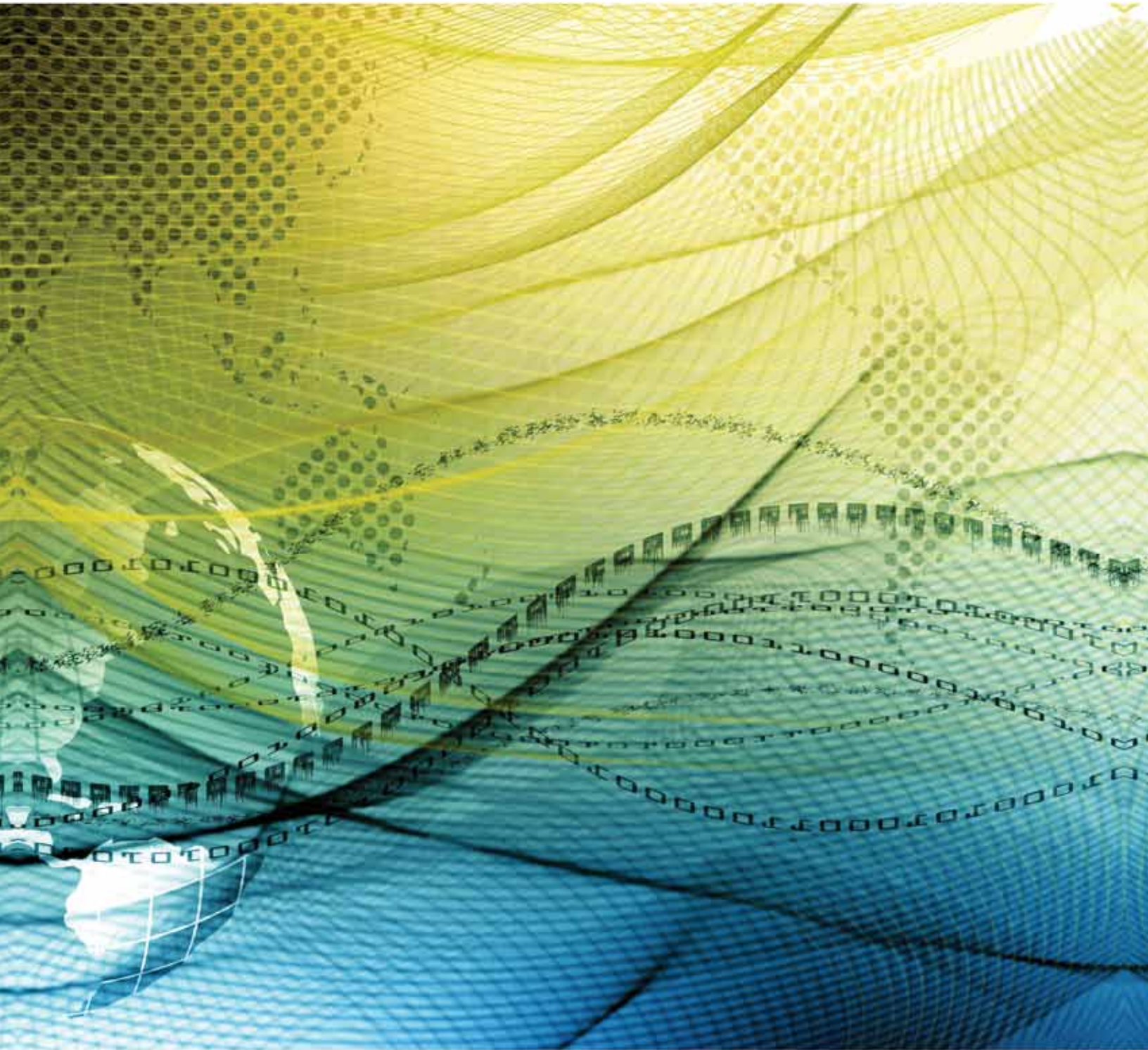




ANNUAL REPORT JUNE 2009 - JULY 2010



15 YEARS OF TRUST AND CONFIDENCE

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INTRODUCTION

Organized crime, terrorism and corruption are most often international and cross border in nature; combating these threats requires an international response. After 15 years, the Egmont Group has consolidated into a robust and, most importantly, useful and practical international organization that provides invaluable support to governments concerned with combating the cross-border threats posed by criminals, terrorists and corrupt officials.



INTRODUCTORY REMARKS BY THE OUTGOING CHAIR OF THE EGMONT GROUP

Mr. Luis URRUTIA

Director Unidad de Inteligencia Financiera de MEXICO (FIU-Mexico)

Very few international initiatives have been able to take a diverse body of government entities (FIUs) and mature to form a global network of over 120 members strongly committed to exchanging sensitive information that would otherwise not be available to them to combat crime at a national and international level.

I have taken great pride in the unique opportunity granted to me by the Egmont Heads of FIUs over the past year to chair the Egmont Group and to help continue the development of the Egmont international FIU network.

As the Chair of the Egmont Group, my contact and relationships with FIUs from all around the world have allowed me to confirm that, in reality, there is no such concept as a fully developed FIU. All FIUs constantly need to develop and react to changes within their domestic environment. They also have a strong interdependency with their foreign FIU counterparts with whom they seek to exchange information. To be effective therefore, FIUs need to be dynamic and outward-looking organizations.

In the fight against crime, criminals already start with a large advantage ahead of the governments willing to fight them. Because of this, specialized government agencies, such as the FIUs, need to arm themselves with all the tools available for that purpose, including those provided within the Egmont Group. Most importantly, to be truly effective in supporting global efforts to combat crime, FIUs must be able to exchange information internationally with other FIUs so that organized, international criminal enterprises can be understood and dismantled. Heads of FIUs understand the importance of having a strong international FIU network and during my time as Chair I have seen a high motivation amongst individual FIUs, and FIU officials, to conduct work for the Egmont Group for the collective benefit of the FIU network.

In the twenty first century the world of finance has continued to grow and become more interdependent. Market liberalization and integration has resulted in increasing national and international financial transactions, some of which are related to criminal or terrorist activity. Notwithstanding the concerted international efforts against money laundering and the financing of terrorism over the last two decades, national governments still face significant challenges in addressing the threat posed by large, international,

criminal organizations. There is much work still to be done to create an environment where governments can significantly disrupt organized criminal operations and deprive criminals of their malicious gains.

Within this scenario, all FIUs—regardless of the respective state of development—can be confident that they can rely on the Egmont FIU network to facilitate the exchange of information on cross-border cases. In addition, Egmont member FIUs are aware that relevant mutual support is available to assist them to operate under international standards and that those FIUs can obtain technical assistance and FIU-specific training support. The progress of the Egmont Group is interlinked with the progress made by its member FIUs, as well as to the effective role each FIU plays in the continued development of domestic and international AML/CTF systems.

The global financial crisis that we all experienced recently has prodded governments into strengthening initiatives aimed at achieving larger market integration and lifting barriers that continue to obstruct the effective and timely tracking of fraudulent funds. On the other hand, international standard setting bodies, such as the Financial Action Task Force (FATF), are currently looking at more effective ways to improve the prevention of and fight against money laundering and the financing of terrorism.

I am very satisfied therefore to have chaired the discussions held at the 2010 plenary meeting in Cartagena, Colombia, confirming the Egmont Group's willingness to look at substantive issues relating to the role that FIUs should play in international AML/CTF work and contribute more actively in this field. The Egmont Group should be prepared to define the role that FIUs are expected to play in the AML/CFT global effort and not be passive and simply respond to standards intended to be imposed by third parties.

The experience that I gained from my time as the Chair of Egmont Group will greatly contribute to the work that I now carry out as President of the FATF; and with the help of all its members, I look forward to closer collaboration with the Egmont Group.

It is therefore my pleasure to present to you the 2009 – 2010 Egmont Group Annual Report.



INTRODUCTORY REMARKS BY THE NEW CHAIR OF THE EGMONT GROUP

Mr. Boudewijn VERHELST

Deputy President Belgian Financial Information Processing Unit CTIF-CFI,
and Incoming Chair of the Egmont Group

It is my great pleasure to be part of the commemorative edition of the Egmont Group Annual Report. For me, it marks an involvement with the Egmont Group going back to its inception 15 years ago.

On 9 June 1995, the Egmont-Arenberg Palace in Brussels saw the first meeting of representatives of some 24 national organizations that were, at that time, tentatively called “disclosure receiving agencies” or “financial information units.” Everybody at CTIF-CFI (FIU-Belgium) was tense, as we did not know exactly what to expect of this leap into the unknown. We only realized that we had to do something about cross-border cooperation with our counterparts if we did not want to continue to work blind. We barely knew the participants, only that they were performing what we thought to be a similar function.

The first reactions were divided; some were even openly sceptical about the need to establish “another travel agency,” when there was the Interpol channel we could use. One participant even found the notion of an administrative unit based in a law enforcement environment preposterous (he was later quite upset because his agency was judged to not meet the FIU definition).

It did produce some fireworks, but in the end there was a general consensus to continue the initiative and create an informal forum to be called The Egmont Group. This was at the suggestion of the then Head of FinCEN (FIU-USA), Mr. Stanley Morris, who was also co-host of that plenary, along with M. Jean Spreutels, President of CTIF-CFI, the Belgian FIU. At this same meeting, it was decided to create three Working Groups (training, library and legal). I had given a presentation on legal issues and was immediately, much to my surprise, appointed as the Chair of the Legal Working Group. It was an offer I could not refuse and in the end I held this post for 15 years. I have enjoyed every second of it, thanks to the invaluable support of my Vice-Chairs.

The only plenary I have ever missed was the first Egmont Group lustrum held in Panama in 2000. On that occasion I had prepared text to be presented to the Heads of FIUs, titled ‘Egmont, quo vadis?’ (Egmont, where are you going?). What I tried to convey then, still very much expresses my hope in, and expectations for, the Egmont Group:

“... We have achieved this and we have reason to be proud of it. We may feel satisfied; however we should not give in to a feeling of complacency. The challenges to the efficiency of the global anti-money laundering effort are still very real, especially when considering the overall low results in terms of convictions, seizures and forfeiture. One area where there is still a lot of room for improvement is in the international cooperation between FIUs. This is precisely the domain where the Egmont Group is active and where our efforts should be focused even more.

Recognition and acceptance as an FIU by the Egmont Group does not, at present, go beyond an acknowledgement that the particular candidate unit indeed actively performs the functions of a financial intelligence unit and, as such, meets the Egmont definition. In doing this however, the Egmont Group does not issue quality labels yet, but I think the time has come for us to raise our standards.”

In reading through the contributions from my dear friends, both former and current Egmont key players who took the time to reflect and contribute to this commemorative edition of the Egmont Group Annual Report, I was heartened by the similar way we see the future of the Egmont Group. There is an enormous potential and expertise in the Group and we owe it to ourselves not to let this go to waste. Let us put it to use to improve the overall efficiency of the international co-operative effort and give our Group the quality label it deserves.

It is a great honour for me to Chair the Egmont Group and to be able to play my part in leading the Group forward as part of a proud history of dedicated and committed Chairs, going back to that first meeting in June 1995.

Egmont, ad multos annos!



INTRODUCTORY REMARKS BY THE EXECUTIVE SECRETARY OF THE EGMONT GROUP

Ms. Bronwyn SOMERVILLE

The Secretariat can look back over the last year, and indeed over the last three years, with a considerable sense of achievement. This however, pales into relative insignificance when we consider what the Egmont Group as a whole has achieved over the last 15 years since its beginnings in 1995.

It has been an interesting and inspiring time in recent months as we have invited contributions from some of the key players in the origins and development of our organization. Of those who chose to record their thoughts, most commented that their memories of the Egmont Group were so many (all seem to be positive though) and their vision for the Egmont Group still so optimistic, that it was difficult to limit their comments to the space available. Nevertheless, we are truly grateful for the contributions and for the thoughtful observations that will serve to guide the Secretariat's future work.

One of the key developments in the Secretariat during the 2009–2010 period has been the arrival of the fifth Egmont staff member, who joined us in February 2010. This appointment completes the establishment of the Secretariat, as it was envisaged by the Heads of FIUs at their meeting in Cyprus in 2006. What was not envisaged at that time, however, was the manner in which having a permanent secretariat would affect the way the Egmont Group is able to operate. This includes an enhanced engagement with other international organizations, the ability for the Egmont Group to run increasingly complex Working Group and annual plenary meetings and provide a point of liaison for potential Egmont members. The Secretariat's central coordination role is crucial across these activities if we, as the Egmont Group, are to achieve success.

We were again privileged to work with highly committed and hard-working host FIUs in supporting the Egmont Committee, Working Group, Heads of FIUs and plenary meetings. We were very grateful to the Heads of FIUs and staff of UPWBNM-Malaysia in October 2009, FIU-Mauritius in March 2010 and UIAF-Colombia in June 2010, for their hospitality, as well as their dedication and commitment to ensuring the Egmont Group meetings were a great success.

I would also like to acknowledge the dedication and professionalism of my colleagues in the Egmont Secretariat. As the workload ever increases, so does each person's individual effort in order to

continue to achieve the high standards we set ourselves from the start. The Egmont Group can feel proud of its Secretariat staff and, for me, it is a privilege to work alongside them.

Whilst not part of the Secretariat, we would not have been able to achieve what we did this year without the very significant contributions of our colleagues in FIU-Mexico and FINTRAC (Canada). The job is much bigger than just the Secretariat and the additional voluntary contribution that these, and other Egmont member FIUs, make is indicative of what makes Egmont work. We thank them for their support.

I would also like to acknowledge the leadership and support provided by the Chair of the Egmont Group, Mr. Luis Urrutia. His vision for the role that Egmont could play in the global arena, as a body of operational FIUs, drove us forward and his energy and commitment assisted us in taking some big steps in a short period of time. We wish him well in the very demanding role as President of the FATF and we will look forward to continuing to strengthen the relationship with the FATF under his leadership.

Of course, in this commemorative year, it is a great pleasure to welcome the new Chair of the Egmont Group, Mr. Boudewijn Verhelst. It goes without saying that he brings a wealth of knowledge and experience to the job and the Secretariat stands ready to support and assist him. As in other years, with the support of the Chair, the Egmont Committee, the Heads of FIUs and our partner AML/CFT organizations, we are confident of another successful and exciting year ahead.

THE EGMONT GROUP 15 YEARS

On June 9, 1995, representatives of 24 nations and 8 international organizations came together at the historic Egmont-Arenberg Palace in Brussels, Belgium, to discuss the specialized anti-money laundering organizations known as “disclosers receiving agencies” or “financial information units (FIUs).”

This was the first paragraph from the Foreword of the report of the first Egmont Group meeting fifteen years ago. From this report it is easy to see how far Egmont has evolved from those early days, starting with the change in name from financial information units to financial intelligence units, a term now synonymous with the Egmont Group.

THE FOUNDING MEMBERS

From the 24 nations that were present at this inaugural meeting the following had established FIUs that can be considered the foundation cornerstones of the Egmont Group¹:

AUSTRAC (Australia)	SICCFIN (Monaco)
A-FIU (Austria)	SEPBLAC (Spain)
CTIF-CFI (Belgium)	SOCA (UK)
FinCEN (USA)	OMLP (Slovenia)
CRF (Luxembourg)	NFIS (Sweden)
MOT (Netherlands)	Tracfin (France)
ØKOKRIM (Norway)	

EARLY INTERNATIONAL DEVELOPMENTS

The first meeting of the Egmont Group was a natural culmination of more than six years of intensive international anti-money laundering effort. This effort began in late 1988 with the creation of two international agreements that specifically addressed the problem of money laundering. The Vienna Convention—convened by the United Nations to address the worldwide problem of illegal narcotics production, trafficking, and consumption—also obligated its signatories to criminalize the laundering of money derived from drug trafficking. Additionally, it called for development of mechanisms that might facilitate international cooperation on money laundering investigations. The ‘Basel Statement of Principles’, which resulted from a meeting of the members of the—at that time—10 wealthiest countries (G10 nations), recognized that confidence in banks could be undermined through a real or perceived association with criminals and therefore provided some basic principles to be followed by financial institutions combating money laundering.

THE FATF

During an annual economic summit of the G7 nations in July 1989, the participating heads of state or government called for formation of the Financial Action Task Force (FATF) from summit participants and other interested countries. The intent of the task force was to assess the results of cooperation already undertaken in preventing the use of the banking system and other financial institutions for the purpose of money laundering and to consider additional preventive efforts in this area. Building on the precedents of the Vienna Convention and The Basel Statement of Principles, the

FATF met in early 1990 and released a report containing a series of 40 action recommendations “on how to improve the national legal systems, enhance the role of the financial system and strengthen international cooperation against money laundering.”

Two of the recommendations implicitly or explicitly referred to the creation of some sort of disclosure receiving agency.

FIUs were created with increasing frequency after the 1990 release of the FATF report and these organizations became more visible in representing their respective nations at international anti-money laundering conferences and seminars, particularly FATF. It was through informal contacts made between FIU representatives at various FATF functions that an interest was established for the first Egmont Group meeting in 1995.

EGMONT GROUP MEETINGS

The Egmont Group has been meeting regularly since its inception in 1995 to exchange best practices and to discuss relevant developments in the area of money laundering. After the 2001 terrorist attacks in New York City a special Egmont meeting was held in Washington D.C. that discussed combating the financing of terrorism as a second major focus for the FIUs. A list of past plenary meetings is attached as Annex A to this Annual Report. Working Group and Committee meetings are held in between those plenary meetings with a frequency of two per year.

Working Groups were established on a needs basis in order to accomplish the Egmont Group’s mission to develop, co-operate and share expertise. Currently there are five Working Groups. Each Working Group determines its own internal organization and operating procedures, and selects its Chair and Vice-Chair(s). The Working Groups meet periodically and report to the Heads of FIUs about their activities.

Additionally, a coordination body named the Egmont Committee was established in 2002. It was the result of an initiative of CTIF-CFI (Belgium) and FinCEN (US). The two FIUs felt the need to develop a proposal for the management of the Egmont Group into the future. They presented a proposal that noted that it had become difficult to manage the group via only the Working Groups and their chairpersons. The Egmont Committee was intended to help the Working Groups with strategic ideas and to represent the Egmont Group officially in other international fora.

¹ Other jurisdictions with no established FIU at that time were also present at this first Egmont Group meeting. These included: Canada, Czech Republic, Finland, Germany, Greece, Iceland, Italy, Japan, New Zealand, Portugal, and Switzerland.



Chaired jointly by the Belgian Financial Information Processing Unit (CTIF-CFI) and the Financial Crimes Enforcement Network (FinCEN) of the United States, the meeting in Brussels was intended primarily to enable participants to become acquainted with the already existing FIUs and to open communication channels. Since the first meeting of FIUs was held at the Egmont-Arenberg palace in Brussels, it was decided that the gathering should be known as the “Egmont Group.”

The Egmont Committee’s role was also intended to prepare the Heads of FIUs meetings and to co-ordinate the work of the Working Groups, while coming up with direct decisions on urgent matters. The Egmont Committee has been doing just this and has been effectively and efficiently supporting and guiding the work of the Egmont Group over the past eight years (2002 – 2010) under the following leadership:

- Mr. William Baity, FinCEN (US): 2002–2008
- Mr. Neil Jensen, AUSTRAC (Australia) 2008–2009
- Mr. Luis Urrutia, FIU-Mexico (Mexico) 2009–2010

In 2009 an important decision was taken by the Heads of FIUs during the Doha, Qatar Plenary. HoFIUs acknowledged that given the rapid growth and development, both the nature and quantum of the work of the Egmont Committee, and therefore the Chair, has increased exponentially since it was formalized in Monaco in June 2002. In reality, the Chair was universally viewed as the nominal ‘Head’ of the Egmont Group. That is, as the Chair or President of the Egmont Group, not just the person who chairs the Committee. HoFIUs therefore agreed to change the name of Chair of the Egmont Committee to Chair of the Egmont Group.

ESTABLISHMENT OF THE EGMONT SECURE WEB (ESW)

The proposal for an encrypted network for FIU communication through the internet was developed in 1995 by FinCEN, USA, in conjunction with the FIUs of Belgium, France, Netherlands and Slovenia. After successful testing with the FIUs of France, Australia, Netherlands and Slovenia, the new Egmont Secure Web (ESW) was unanimously approved by the Egmont Group during the April 1996

Plenary in San Francisco, USA. In a one-week period in February 1997, the first five ESW connections were established: USA, Belgium, Netherlands, United Kingdom, and France (in order of connection).

The Egmont Secure Web system features a high, multi-level of security and was created to facilitate international co-operation and communications, as well as to foster mutual assistance among the different FIUs in the battle against money laundering. It was agreed that access to the ESW be restricted to member FIUs and that the purpose of the Egmont Secure Web was to co-ordinate the efforts of the FIUs at both the national and international levels by establishing and strengthening a global network of communications among them.

The ESW has been completely reformatted twice in its 14-year existence, in 2003 and again in 2007, although it continually receives upgrades and enhancements such as the ‘communities’ feature. The ESW originally contained all information in three languages —English, French and Spanish; however, with the rapid growth of the Egmont Group and the large increase in the volume of Egmont documentation, it was agreed that the 2003 revision would offer English only. The ESW system has been graciously financed and serviced by FinCEN since its launching in 1996.

FROM PERMANENT ADMINISTRATIVE SUPPORT (PAS) TO EGMONT GROUP SECRETARIAT (EGS)

The Permanent Administrative Support

As the Egmont Group was already growing quickly during its early years, the need became urgent to provide for a permanent administrative secretarial function within the organization. A first Permanent Administrative Support (PAS) was agreed upon during an early Legal Working Group meeting. The PAS’s function was to serve as a secretariat for the Chairs of the Working Groups and to serve as a focus and coordination desk for member FIUs and other international organizations working in the field of anti-money laundering. The following jurisdictions subsequently offered to provide for the PAS with the following officials:

- 1995–1998, United States: Mr. Vincent Schmoll
- 1998–1999, United States: Mrs. Patricia Milla-King
- 1999–2001, Netherlands: Ms. Liesbeth Nieuwenkamp
- 2001–2004, United Kingdom: Ms. Julia Ghose
- 2004–2006, Belgium: Mr. Ludovic D’Hoore
- 2006–2007, United Kingdom: Mr. George Facontis

During the Egmont Meetings held in Amsterdam in 1998 some key representatives indicated that the time had come when the Egmont Group should perhaps seriously consider establishing a more formalized structure, including the creation of a secretariat. This need arose from the fact that the Group was growing and attracting increased attention from both jurisdictions and international organizations. This attention was now coming with an increased administrative burden that could not easily be shared among

the chairs of the existing Working Groups. It was seen that the Secretariat's task should be to provide consistent guidance on the organization of plenary meetings, informing FIUs, FIU candidates, and other participants of the work of the Group, maintaining records on the FIUs and FIU candidates, and other administrative support functions. During the 2004 HoFIUs meeting in Guernsey, a Sub-Committee on Funding and Administration was established to develop a plan of action for bringing the new Egmont Group Secretariat to fruition.

The Egmont Group Secretariat

After a long period of preparation and decision making the Egmont Group Secretariat (EGS) was established in the heart of the financial and business district of Toronto in 2007. This was made possible through the generous support of the Canadian Government, facilitated by the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC-CANAFE).

Once the mandate and organizational structural of the Secretariat was determined, FINTRAC-CANAFE worked with domestic partners including the Department of Foreign Affairs and the Department of Finance to establish the Egmont Group as a legal entity in Canada under the Foreign Missions and International Organizations Act (FMIOA) granting the Egmont Group certain privileges and immunities under the FMIOA.

The first Executive Secretary, Ms. Bronwyn Somerville, commenced duties in July 2007. FINTRAC-CANAFE worked closely with Ms. Somerville to develop Secretariat policies and procedures covering security, travel, and conflict of interest, among others. The offices were officially declared open by the Canadian Minister of Finance,

the Honourable Jim Flaherty, in February 2008 and the members of the Egmont Group were widely welcomed to the offices during an Open Day, held during the meetings in Toronto, October 2008.

Canadian Government Support For The Egmont Group

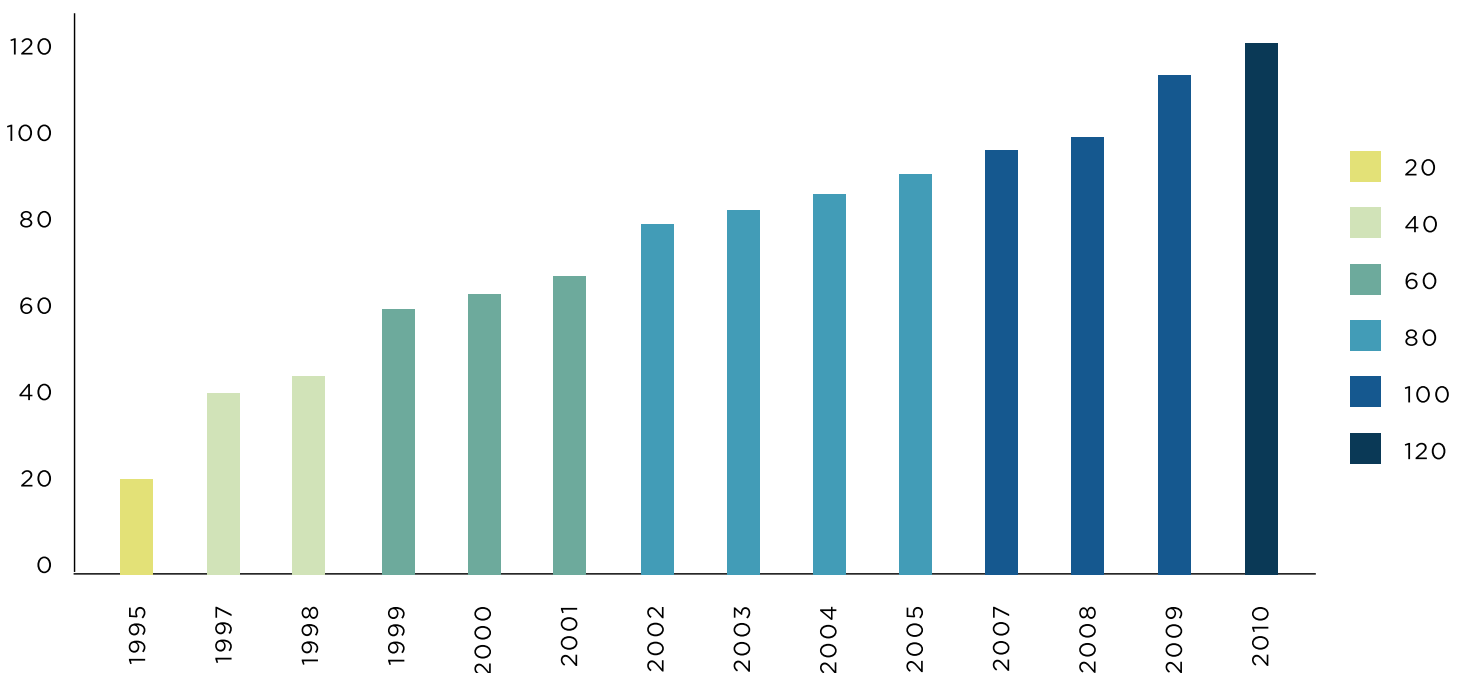
The financial contribution from the Canadian Federal Government consisted of a grant of CA\$4.7 million over a four year period from 2007 to 2011. Beyond this core contribution, FINTRAC-CANAFE has also assisted the Secretariat with on-going administrative and IT advice.

In more recent times, the Canadian Federal Government has provided generous grants totalling CA\$833,000 under the Counter Terrorism Capacity Building Program. This funding will support the work of the Egmont Training Working Group (TWG) and will enable an AML-CFT training video to be produced, as well as global delivery of tactical analysis training to FIU personnel in eight regions. Without this valuable assistance, Egmont member FIUs would not have been able to benefit from the work of the TWG in the same way.

EGMONT GROUP MEMBERSHIP

The Egmont Group has now established a prominent profile role as an organization committed to the fight against money laundering and terrorism financing (AML/CFT) worldwide. In this 15th year of its existence the Egmont Group has grown from 13 members in 1995 to 120 member FIUs in 2010, with the addition of four new members during the 18th Egmont Plenary held in Cartagena, Colombia.

GROWTH IN EGMONT GROUP MEMBERSHIP



LOOKING BACK ON THE 15 YEARS: SOME KEY PLAYERS



Mr. Stanley E. MORRIS

Former Director United States Financial Crimes Enforcement Network

For me, in looking back, is useful to consider why Egmont happened. In assisting in 1990 with the creation of the Financial Crimes Enforcement Network (FinCEN) at the US Treasury Department, it became

clear that this was a truly unique governmental organization and that if it were to be successful it would need to develop both public and private partners. I was fortunate to become the second Director of FinCEN and also to be chosen to head the US delegation to the Financial Action Task Force (FATF). The international perspective provided by the latter role and the needs of FinCEN focused my attention, as I am sure it did others in similar circumstances, to look for international partners.

The idea of government entities with financial analysis capabilities, bridging the private financial sector and law enforcement was novel and the units that were being created were all looking for allies, although there were in the beginning not many of us. Fortunately however, my colleague in the FATF who headed the Belgium delegation (M. Jean Spreutels) was also head of the Belgian unit. A little over 15 years ago, we discussed trying to bring the organizations we knew about together and Jean agreed to host the meeting at the Egmont Palace in Brussels, in the margins of a FATF meeting held in the Netherlands. Our goal was simple—to learn from the experience of others and develop some informal contacts that would aid us in our responsibilities of analyzing financial flows whether related to money laundering or other financial related crimes. At the end of the meeting it was agreed to create the Egmont Group.

“No government entity will ever have the skills to analyze successfully the suspicious reports from the financial community without help.”

Much has been accomplished in the ensuing 15 years since that meeting in June, including that in the new revision of the FATF 40 Recommendations—the world’s template for anti-money laundering standards—the establishment of Financial Intelligence Units (FIU) was included.

In terms of the future, and where Egmont needs to go, notwithstanding the other accomplishments, the basic needs that led to Egmont’s creation remain the same: the need for partners, for informality, for training and to provide feedback.

No government entity will ever have the skills to analyze successfully the suspicious reports from the financial community without help. As the FIU’s skills develop, they must consistently work with the private sector who will always be wiser on what is going on; and with the police and prosecutors who finally are the customers for their work. The FIUs must serve the needs of both sides. The Egmont Group can also build bridges to its international counterparts in both the financial and law enforcement worlds. The new President of the FATF, having just left the Chair of Egmont, is an important development in this regard.

The Egmont Group also needs informality. Nothing undermines creativity and effectiveness more than bureaucratic straitjackets. Egmont should continue encouraging FIUs not to put unnecessary constraints on the use by other FIUs of their data and analyses.

One of the original objectives of the Egmont Group was to learn from each other. The expertise and practices of more mature FIUs must be shared with those in the development stages. The Egmont Group should give a high priority to identifying effective methods for training as well creating the materials to train other strategic partners. Part of that training should also include the importance of feedback—not just as a protocol, but as a way to give credit and to encourage further cooperation. The Egmont Group, as well as its individual FIU members, can encourage such steps, even at the international level.

Bon Anniversaire, to the Egmont Group. You could not have received a better 15th year birthday present than the appointment of my friend Boudewijn Verhelst as your new Chair. I doubt that anyone has done more to further the interests of the Egmont Group over the years than Boudewijn. Careful, wise, tenacious and always good humored, he perfectly encapsulates the Egmont spirit. Best of luck in the future and thanks for the memories.



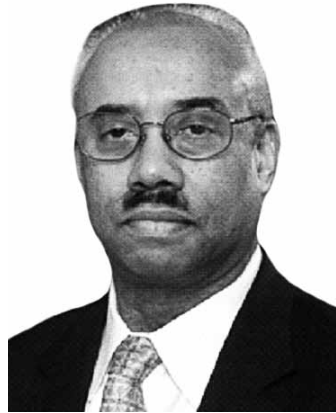
Mr. Jean SPREUTELS

Former President Belgian Financial Information Processing Unit, and current Judge, Constitutional Court of Belgium and Professor at University of Brussels

July 8, 1994 was the day that Stanley Morris as director of FinCEN and myself—as

President of CTIF-CFI (the Belgian FIU)—signed a memorandum of understanding between our two units and the idea of establishing a network or forum of Financial Intelligence Units was born. The first problem we encountered was the difficulty in establishing international cooperation due to the various legal backgrounds governing the new FIUs.

Only one year later we were joined by other units in Brussels, at the historic Egmont-Arenberg Palace, by approximately 100 representatives of the competent services (not all of them were FIUs) representing 24 states and 8 international bodies. Together we were looking for a forum and processes we could use as a foundation for our common goal of striving to keep criminals out of the legitimate financial system and from profiting from their illegal activities. We came together with the goal of establishing channels of communication among the agencies then in existence, and to learn from one another what worked best. Thus, the Egmont Group was born and it was the starting point of a wonderful story.



Mr. William B. BAITY

Former Deputy Director United States Financial Crimes Enforcement Network and Chair of the Egmont Committee

While each meeting of the Egmont Group had a uniqueness of achievement, there was always a constant theme surrounding the

admission of new member FIUs. Like any idea, the ultimate success could only be obtained with growth and maturation. Most telling was how within a year or two of admission FIUs would move from being spectators to engaging themselves in the daily operations of Working Groups, representing Egmont in other international fora, and using the Egmont network to strengthen their internal operations. In particular, the plenary meetings have become the unique opportunity for all levels of membership of FIUs to interact and exchange ideas. From Heads of FIUs to analysts to IT experts, these meetings and associated workshops have produced the type of international exchange of ideas and best practices that were the goal in creating the Egmont Group. One of the most significant aspects of the plenary meetings was the signing of MOUs among the FIUs. While somewhat ceremonial, the increase of this activity alone demonstrated and reaffirmed the importance of the Egmont principles.

When we first discussed the concept of sharing financial intelligence, even before there was a name, no one envisioned an entity the size of the present day Egmont Group. Ironically, world events have proven the importance of such a concept. The first fifteen years of the Egmont Group can be likened to the process of birthing through adolescence. The test of the future for the Egmont Group is maturation. While Egmont has successfully touted to political leaders the importance of FIUs, it is critical going forward that Egmont set the standards for what all FIUs should be seeking to achieve. This means self-policing to raise the operational efficiency of all FIUs. If Egmont fails to establish the Standards for FIUs then others—without a real knowledge of FIUs—will develop and impose such standards. It is also imperative that FIUs establish within their respective jurisdictions the necessary working relationships intra-government. FIUs must not only be a vital component to, but be at the core of all the other national entities involved with the regulation and the enforcement regarding the financial sector.



Mr. Neil JENSEN

Former Chief Executive Officer of the Australian FIU, and former Chair of the Egmont Training Working Group, the Egmont Committee and the Egmont Group

I am honoured to have been a participant in the then small group of FIUs inaugural meeting at the Egmont-

Arenberg Palace in Brussels in 1995. That meeting, held in a most outstanding and elegant venue, provided a watershed in the development of the global anti-money laundering program, and provided the impetus to the new Egmont Group to commence a trip down a long and winding road to success. With the trip now reaching fifteen years and still having a long way to go into the future, looking back, I commend those who had the foresight to initiate the meeting and create the Egmont Group, thus establishing a cooperative group of the worlds FIUs, focusing on cooperation, information exchange and FIU training and development.

To see the Egmont Group now as a most valuable, highly regarded and recognised international group, comprising around 120 members is both heartening and a testament to the initiators and those many people from many FIUs who have contributed to the work of the Egmont Group over the past 15 years. In addition to the initiating meeting two other events stand out clearly as milestones in the development of the Egmont Group, being the 2002 establishment of the Egmont Committee and its process and the 2007 commitment to a permanent Egmont Secretariat funded by all members. As with the initial meeting both of these events have been significant in focusing the development of the Egmont Group and setting its direction.

The most significant role in the future is to continue to develop extensive, timely and real cooperation and information exchange amongst the Egmont Group members and other developing FIUs. A lot of work needs to be done to ensure the Egmont Group's continuing presence and contribution in the global AML/CFT framework. This will not come without a commitment of all member FIUs, not only by agreement to the work that needs to be done but through a strong commitment of resource to identify what is required in this role and to actually get the work done. The work of the past 15 years has been done by too few highly committed members and it is a responsibility of all members for now and the future to take on this work. Don't leave the work to a few members, you all can assist to make a difference. I wish the Egmont Group much success for its future endeavours.



Mr. Josef MAHR

Head of the Austrian Reporting Office

The active role of Austria in the foundation process of the Egmont Group still gives me a feeling of pride. Initially, I had some concerns regarding the further development but I was convinced after a short time that the Egmont Group developed very well. Although I

sometimes made some critical remarks during the Egmont meetings I feel very comfortable in the still growing Egmont family. A small group of idealists with a vision made the implementation of this important institution possible. One important goal of the politically independent group should be the role of a trendsetter and a source for know-how in the field of money laundering and terrorist financing.





Mr. Kludijo STROLIGO

Former Director of the Slovenian Office for Money Laundering Prevention, and current World Bank Financial Sector Specialist and WB / UNODC AML-CFT Mentor in Central Asia

As a newly appointed head of the Slovenian FIU in 1994 my priorities at that time were mostly focused on the establishment of the FIU and how to make the FIU fully operational (that is, by employing FIU staff, finding and securing the FIU premises, amending the first AML Law). Therefore, I remember the early Egmont Group meetings mostly as an opportunity to meet other heads of FIUs in person and to discuss with them some of the key issues related to the FIU work and functions. During the first Egmont meetings I also discussed with my counterparts our joint ML cases and signed our first MOUs.

Egmont has developed significantly in terms of size and membership, its organizational structure, formal status and the quality of its work. It has become a well-developed international organization that serves its members well. In order to be recognized by other relevant international organizations as an important global player in the AML/CFT world, however, it needs to become a more transparent and open organization and it will have to take a lead in further developments of FIU-related international standards and best practices. It will need, therefore, to employ more people in the Egmont Secretariat and to move even more from voluntary based work into project oriented work.



Mr. Vincent SCHMOLL

Former Senior Analyst United States Financial Crimes Enforcement Network, former Permanent Administrative Support for the Egmont Group (1995-1998), and current Principal Administrator at the FATF Secretariat

What I remember most about the early years of the Egmont Group was the energy and enthusiasm of the experts who participated in those first meetings. It seemed as if everyone was willing to bring something to the discussion—even to disagree—as we attempted to identify the key functions of a financial intelligence unit. One sign of the keen interest in the subject was that the debates from those meetings almost invariably continued on an informal basis long after the end of the official programme... In all of these exchanges however, there was always a sense that by better understanding what financial intelligence units could do, we were also clarifying their role and thus making an essential contribution to the fight against money laundering and financial crime.

In my view, the most important achievements for the Egmont Group over the past 15 years have been defining the common functions of an FIU and then establishing minimum requirements for the exchange of information among such units. This work has clarified and reinforced the role of the FIU within both the national context and at the international level. Furthermore, these Egmont Group principles regarding FIUs and their functions are now firmly embedded as part of international AML/CFT standards. Given the essential role of FIUs, there is likely to be more focus in the future on their effectiveness as part of the overall fight against money laundering and terrorist financing, both nationally and internationally. It may be useful, therefore, going forward for the Egmont Group to consider working with other international standard setters to develop a set of clear effectiveness measures for FIUs and AML/CFT regimes more broadly.



Mr. Satyadev D. BIKOO

Director Mauritius
Financial Intelligence Unit
and Egmont Group Africa
Regional Representative

My first vivid recollection of the Egmont Group dates back to July 2003 when I attended my first meeting of the Egmont Committee as Regional Representative of Africa; it was warm and welcoming.

Prior to that, at the Heads of FIUs meeting, the application for admission of Mauritius FIU was endorsed but the Chair of the Outreach Working Group who showed Madagascar as Mauritius because he could not see our tiny island on the world map! It was a time of misconceptions about the African region, its economy and AML/CFT efforts.

Secondly, I appreciated the instantaneous approval of a suggestion I made in October 2003 to the Egmont Committee to meet the new members of the Egmont Group after their admission. I also have vivid memories of discussions on difficult issues and the way a consensus is reached within the Egmont fraternity.

The expansion of the Egmont Group over the last fifteen years has been rapid, thus recognising the growing importance of information exchange in global AML/CFT efforts. Egmont has also demarcated itself as an operational organisation assisting its members through ESW and the practical orientation of its Working Groups.

Regarding Africa—which I represented on the Egmont Committee since 2003—my early scepticism has dried up recently when Egmont came up with a specific outreach strategy and showed more understanding of the realities of the continent. The Egmont Committee and Working Groups meetings in March 2003 in Mauritius also testified to the interest Egmont has for Africa. There are now eight Egmont FIUs in Africa.

In future, Egmont will enhance its operational role in AML/CFT and cooperate with other stakeholders who will look upon its activities in terms of their operational value and contribution to the global AML/CFT fight. It must, therefore, strengthen this core role and broaden its outreach activities.



Mr. Victor OSSA

Former Director Chilean
Financial Analysis
Unit, former Chair IT
Working Group, former
Egmont Group Americas
Regional Representative,
and current ML-FT Risk
Prevention Consultant

The most vivid memories of my early years at the meetings of the Egmont Group are of the

people I met there: an outstanding group of people, a high level of professionalism and very committed to the cause of fighting money laundering and terrorist financing. I have had the good fortune of participating in the Group during an extremely interesting period; the transition of the Egmont Group from having a rather informal character to being an influential organization recognized by governments and international organizations. It was a challenging stage that was not without difficulties because of the presence of factions within the FIUs community who opposed changes and put obstacles in the way of the inevitable advancement.

It has certainly experienced rapid growth in its 15 years, constantly adding new members. With 120 member FIUs, the Egmont Group is now in a privileged position to become the leading global network of information on combating money laundering and terrorist financing. That is the great challenge ahead: more professionalization, more resources, and certainly the most important, growth. I would like to see more and more FIUs joining this network as members and being active participants in it. In the future this will be the best indicator of the fulfilment of its founding objective.



Mrs. Eva ROSSIDOU PAPAKYRIACOU

Head of the Cyprus Unit for Combating Money Laundering, Senior Counsel of the Cyprus Republic, and former Egmont Europe Regional Representative

The Cyprus FIU (MOKAS) joined the Egmont Group in June 1998 during the Plenary

Meeting in Buenos Aires, Argentina. At that time the members of the Egmont Group were a few FIUs and the Secretariat was kindly offered by FinCEN.

I remember from my participation in early Egmont Group Meetings that the main focus was the acceptance of new members which is still of course one of the main tasks of Egmont today. The Legal Working Group mainly dealt with the information on candidate members and the relevant recommendation to the Heads.

Year by year I experienced the growth of The Egmont Group as well as the development of its role as a key player of the AML/CFT efforts around the globe. More Working Groups have been created, typologies were developed and instruments which clarify the practical approach to the exchange of information between FIUs were elaborated and adopted, just to mention some of its achievements.

The expansion of the Egmont Group with new members had a positive but at the same time some negative impact of a practical nature. Thus, the need for a permanent Secretariat and a budget were identified as essential. A relevant decision was therefore taken at the Plenary meeting in Cyprus in 2006.

The participation of Egmont members in International Organizations contributed to the discussion and finally the inclusion of provisions relevant to FIUs in international instruments; I mention the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and Terrorist Financing and the Third EU AML/CFT Directive as well as U.N. Conventions on Organised Crime and Corruption.

As its most significant role in the future I see, apart from assisting other countries in creating FIUs and accepting them as members, the strengthening and enhancing of the exchange of information as well as its even more active role in policy making decisions in the international arena of the measures against ML and TF.



Mr. Ludhovic D'HOORE

UNODC/GPML Regional Advisor on AML/CFT for West and Central Africa, Dakar, Senegal. Former Belgian Egmont Group Administrative Support 2004-2006

The first Egmont meeting I attended was in Zoetermeer (The Netherlands) in October 2001. The evening before the

meetings started our host invited all participants he came across at the conference hotel for an impromptu dinner at his favourite Indonesian restaurant just a few kilometres away. He had asked his staff to come along and to assist in driving us all to the place.

The nice evening we spent together provided us with the opportunity to get to know new colleagues, with some of whom I still have contacts today. It was also one of many examples that illustrate the sense of hospitality that has been experienced by all Egmont delegates along the years.

When addressing AML/CFT issues and FIUs in particular, the role and authority of the Egmont Group are now well established and recognised all over the world. The number of member units has grown exponentially. These are clear indicators of success, which also brought along challenges in respect of managing the activities of the group, providing secretariat services and arranging logistics for the meetings. The capacity of Egmont to adapt to those changes has been remarkable.

Maybe more fundamentally though, the expanded membership reflects a much more diversified spectrum of jurisdictions. Some of the more recent member units in particular come from countries where they face a variety of challenges which might be totally unknown to other members. This calls for a need to continuously reflect more in depth on how to integrate these dimensions into Egmont standards and best practices, while preserving the core objectives on international cooperation and information sharing, so that all members truly perceive the benefits of joining the Group.

During the time I spent with Egmont, I always felt very positive towards greater involvement with observer and partner agencies. I do so even more now, when providing AML/CFT assistance in the West Africa region. Increasing synergies with international partners not only makes it possible to raise their level of understanding of Egmont and FIUs. It also provides an opportunity for Egmont to better understand challenges on the field, to reflect jointly on solutions to overcome them, to contribute to their AML/CFT related projects, and thus to strengthen international cooperation among member FIUs.



Mr. George FACONTIS

Former United Kingdom
Egmont Group
Administrative Support
2006–2007

Communications
Coordinator, United
Kingdom Financial
Intelligence Unit (SOCA)

I joined the United Kingdom Financial Intelligence Unit (UKFIU) with the precursor agency of the National Criminal Intelligence Service (NCIS) in June 2002 as part of a small team responsible for Egmont enquiries. I came to the agency after having graduated with a Bachelor’s degree in Business Management with Spanish and a Master’s degree in International Management.

In November 2006, the UK assumed the exciting role of the Egmont PAS between the previous occupant, Belgium, and the Secretariat team now established in Toronto, Canada. I was delighted to have been selected for the post of Egmont Group PAS and enjoyed working with all in the Egmont community in my role and contributing to reaching a significant milestone in Egmont’s history.

Central to my work was assisting the Egmont Group in the efficient transition to the meetings in Vaduz, Liechtenstein (February 2007), Kiev, Ukraine (October 2007), and the 15th annual Plenary hosted in Hamilton, Bermuda (May 2007), in addition to assisting in the formation of Egmont’s first Permanent Secretariat based in Toronto, Canada. During that time, the UK aim was to build on the excellent work already carried out by Belgium and create a firm base, which was taken forward by the Toronto Secretariat in 2007, when the term of SOCA providing the Egmont Group PAS formally came to an end.

I have followed the evolution of the Egmont Group with great interest since 2007 and shall indeed continue to do so. I wish you all well and every success in your future endeavours in both your vital work and in your personal lives.



Mr. Ashley KAI FONG

Detective Senior
Sergeant, Officer in
Charge New Zealand
Police Financial
Intelligence Unit, and
former Egmont Oceania
Regional Representative

Egmont’s early years were like a global club of FIUs. There was a great spirit of cooperation between club members. The

Egmont Group has grown and matured from a global club to a global community. The spirit of cooperation is still paramount between members but, the community has now become more professional with a strategic focus, a Secretariat, and a number of valuable training and resource materials for both new and well-established FIUs. In the future Egmont will truly be a global network to assist in attacking the financial base of organized crime with its focus on expanding Egmont’s network into the African and Oceania regions.



Mr. Edward SMITH

Former Deputy Director
Bahamas Financial
Intelligence Unit, former
Egmont Americas
Regional Representative

In June 2001, I commenced attending Egmont Group meetings. At that time there was an Egmont Group Permanent Administrative Support (PAS), which consisted

of one person who had the administrative responsibility for the Egmont Group. The PAS and the country hosting the meetings worked closely in the organization of the meetings. The support for the PAS was provided by an Egmont Group member who volunteered to provide such support for a two year term. Most members were reluctant to take on such a responsibility, therefore throughout the life of the PAS; four (4) Egmont members provided the support. It meant that the activities of the Egmont Group were being financed by a limited number of its members. In June 2002, the Egmont Committee was established and took responsibility for the coordination of the work of the Working Groups, Heads of FIUs meeting, and the Annual Egmont Plenary. This marked the beginning of significant change within the Egmont Group.

The Egmont Group has developed from an ad hoc informal group to a recognized and respected International Entity, having been established in July 2007. It now has a Secretariat in Toronto, Canada with a staff compliment of five (5) persons, which includes an Executive Secretary. The Chair of the Egmont Committee is now the Chair of the Egmont Group. The Egmont Committee has expanded its role and works closely with the Egmont Secretariat. The Committee, Secretariat and Working Groups have worked closely with FATF Style Regional Bodies (FSRBs) throughout the world to spread Egmont's message and have expanded Egmont's membership, which now stands at 120. The FATF recognizes the important role played by the Egmont Group and as a result of collaboration took into account the work of the Egmont Group in Recommendation 26 of its 40 +9 Recommendations. The Egmont Group must continue to be at the forefront in the role FIUs play in the fight against money laundering and terrorist financing. It must position itself to be a strong and respected partner organization with the FATF and FSRBs in the establishment of ever evolving international standards in respect to AML/CFT.



EGMONT GROUP
FIUs

DEFINITION OF AN FIU:

A central, national agency responsible for receiving (and, as permitted, requesting), analyzing and disseminating to the competent authorities, disclosures of financial information

- (i) concerning suspected proceeds of crime and potential financing of terrorism, or
- (ii) required by national legislation or regulation,

in order to counter money laundering and terrorism financing.
(www.egmontgroup.com)

TYPES OF FIUs

No matter the type of FIU, the core functions listed in the Egmont definition remain the same and are the binding force that allows the various types to work together on an international basis. The definition of an FIU reflected in the Egmont Group Charter is exactly that approved by Heads of FIU in 1996 at Rome, Italy and amended in St Peter Port, Guernsey in June 2004.

The Egmont Group recognizes that a jurisdiction must decide on the issues and priorities it faces in terms of financial crimes and terrorist financing before establishing an FIU. The role the FIU is to play in the AML/CFT regime will determine where and how the FIU is to be located and how it will undertake its function. The FIU can be established either as an independent governmental authority or within an existing authority or authorities. Some jurisdictions adopt a law enforcement model FIU to conduct money laundering investigations while others choose to have the FIU serve as an administrative “buffer” between the financial and law enforcement entities.

Additional functions may be assigned to the FIU, such as supervision and/or compliance of reporting entities, freezing transactions, or conduct wire-tapping or undercover operations, however the additional functions should not detract from the core functions to collect, analyse and disseminate information.

The Egmont Group member FIUs can be categorized across four main types or models:

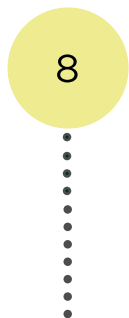
The Judicial Model is established within the judicial branch of government wherein “disclosures” of suspicious financial activity are received by the investigative agencies of a jurisdiction from its financial sector such that the judiciary powers can be brought into play. Powers include the seizure of funds, freezing accounts, conducting interrogations, detaining people, conducting searches and so forth.

The Law Enforcement Model implements anti-money laundering measures alongside already existing law enforcement systems, supporting the efforts of multiple law enforcement or judicial authorities with concurrent or sometimes competing jurisdictional authority to investigate money laundering.

The Administrative Model is a centralized, independent, administrative authority, which receives and processes information from the financial sector and transmits disclosures to judicial or law enforcement authorities for prosecution. It functions as a “buffer” between the financial and the law enforcement communities.

The Hybrid Model serves as a disclosure intermediary and a link to both judicial and law enforcement authorities. It combines elements of at least two of the FIU models.

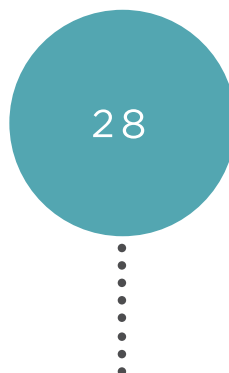
EGMONT GROUP MEMBER FIUs



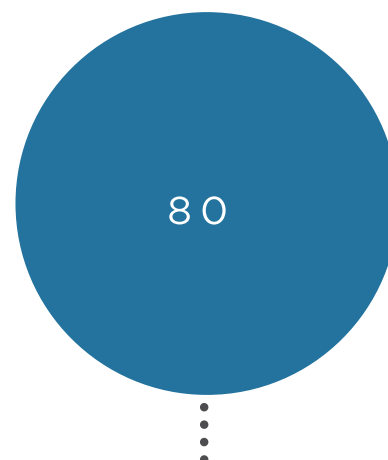
HYBRID
FIU



JUDICIAL/
PROSECUTORIAL
FIU



LAW
ENFORCEMENT
FIU



ADMINISTRATIVE
FIU

Afghanistan	(FINTRACA)	Germany	(FIU-Germany)	New Zealand	(NZ-Police FIU)
Albania	(DPPPP)	Gibraltar	(GCID GFIU)	Nigeria	(NFIU)
Andorra	(UIF-Andorra)	Greece	(HAMLC)	Niue	(Niue FIU)
Anguilla	(MLRA)	Grenada	(FIU-Grenada)	Norway	(ØKOKRIM-FIU)
Antigua and Barbuda	(ONDCP)	Guatemala	(IVE)	Panama	(UAF-Panama)
Argentina	(UIF)	Guernsey	(FIS)	Paraguay	(UAF-SEPRELAD)
Armenia	(FMC)	Honduras	(UIF-Honduras)	Peru	(UIF-Peru)
Aruba	(MOT-Aruba)	Hong Kong	(JFIU)	Philippines	(AMLC)
Australia	(AUSTRAC)	Hungary	(HFIU)	Poland	(GIIF)
Austria	(A-FIU)	Iceland	(RLS)	Portugal	(UIF-Portugal)
Bahamas	(FIU-Bahamas)	India	(FIU-IND)	Qatar	(QFIU)
Bahrain	(AMLU-Bahrain)	Indonesia	(PPATK)	Romania	(ONPCSB)
Barbados	(FIU-Barbados)	Ireland	(MLIU)	Russia	(Rosfinmonitoring)
Belarus	(DFM)	Isle of Man	(FCU-IOM)	San Marino	(FIA San Marino)
Belgium	(CTIF-CFI)	Israel	(IMPA)	Saudi Arabia	(SAFIU)
Belize	(FIU-Belize)	Italy	(UIF)	Senegal	(CENTIF)
Bermuda	(FIA)	Ivory Coast	(CENTIF-CI)	Serbia	(APML)
Bolivia	(UIF-Bolivia)	Japan	(JAFIC)	Singapore	(STRO)
Bosnia & Herzegovina	(FID)	Jersey	(FCU-Jersey)	Slovakia	(SJFP)
Brazil	(COAF)	Korea (Republic of)	(KoFIU)	Slovenia	(OMLP)
British Virgin Islands	(FIA-BVI)	Kyrgyz (Republic)	(FIS)	South Africa	(FIC)
Bulgaria	(FID-NSSA)	Latvia	(KD)	Spain	(SEPBLAC)
Cameroon	(NAFI)	Lebanon	(SIC)	Sri Lanka	(FIU-Sri Lanka)
Canada	(TRAC-CANAFE)	Liechtenstein	(EFFI)	St. Kitts & Nevis	(FIU-SKN)
Cayman Islands	(CAYFIN)	Lithuania	(FCIS)	St. Lucia	(FIA-St. Lucia)
Chile	(UAF)	Luxembourg	(FIU-LUX)	St. Vincent & Grenadines	(FIU-SVG)
Colombia	(UIAF)	Macau SAR China	(GIF)	Sweden	(NFS)
Cook Islands	(CIFIU)	Macedonia	(USPPFT)	Switzerland	(MROS)
Costa Rica	(UIF-Costa Rica)	Malawi	(FIU-Malawi)	Syria	(CMLC)
Croatia	(AMLO)	Malaysia	(UPW)	Taiwan, ROC	(AMLD)
Cyprus	(MOKAS)	Malta	(FIAU)	Thailand	(AMLO)
Czech Republic	(FAU-CR)	Marshall Islands	(DFIU)	Turkey	(MASAK)
Denmark	(MLS)	Mauritius	(FIU-Mauritius)	Turks & Caicos	(FCU)
Dominica	(FIU-Dominica)	Mexico	(FIU-Mexico)	Ukraine	(SCFM)
Egypt	(EMLCU)	Moldova	(SPCSB)	United Arab Emirates	(AMLSCU)
El Salvador	(UIF-El Salvador)	Monaco	(SICCFIN)	United Kingdom	(SOCA)
Estonia	(MLIB)	Mongolia	(FIU-Mongolia)	United States	(FinCEN)
Fiji	(Fiji-FIU)	Montenegro	(APML)	Uruguay	(UIAF)
Finland	(RAP)	Netherlands	(FIU-NL)	Vanuatu	(FIU-Vanuatu)
France	(TRACFIN)	Netherlands Antilles	(MOT-NA)	Venezuela	(UNIF)
Georgia	(FMS-Georgia)				

STRUCTURE & ORGANIZATION OF THE EGMONT GROUP

The Heads of FIUs (HoFIUs), the Egmont Committee, the Working Groups and the Secretariat make up the operating structure of the Egmont Group. The HoFIUs form the governing body of the Egmont Group.

Working Groups are established depending on the need for development of important areas in the cooperation between FIUs and for the progression of the Egmont Group as a whole. The Egmont Committee serves as a consultative and coordination mechanism for the HoFIUs and for the Working Groups.

The Egmont Group Secretariat provides administrative and other support to the overall activities of the HoFIUs, the Egmont Committee and Working Groups. The Secretariat is headed by an Executive Secretary, appointed by the HoFIUs, who reports directly to the HoFIUs through the Egmont Committee.

EGMONT GROUP ORGANIZATION

Heads of FIUs (HoFIUs): The HoFIUs are the Egmont Group's governing body with each FIU represented by its Head or designate. They make decisions on or endorse any development that affects the Group's membership, structure, budget and principles. The HoFIUs reach decisions by consensus and the meetings are held only once a year during the Egmont Group Plenary.

Egmont Committee (EC): The Egmont Committee serves as the consultation and coordination mechanism for the HoFIUs and the Working Groups. The Egmont Committee is composed of permanent and regional members, from which a Chair and Vice-Chairs are selected. Its primary functions include assisting the Egmont Group in a range of activities, from internal coordination and administrative consultation to representation at other international fora. It also oversees the work of the Egmont Group Secretariat.

Working Groups: In order to accomplish its mission of development, cooperation, and sharing of expertise, the Egmont Group has established Working Groups. The Egmont Committee is composed of permanent and regional members, from which a Chair and Vice-Chairs are selected. Each Working Group determines its internal organization, operating procedures, and selects its Chair and Vice-Chair(s). The Working Groups meet periodically and report to the HoFIUs about their activities. Currently there are five Egmont Working Groups: Legal, Training, Outreach, Operational and IT.

Reference Groups: Reference Groups were established to support the administrative work of the Egmont Committee and to service the needs of HoFIUs, and the Egmont Group as an organization, more effectively. The Reference Groups are not decision-making bodies; however they can proactively identify issues to be referred to the Working Groups for more detailed consideration from time to time.

Six (6) Reference Groups are endorsed to support the six main streams of the Egmont Committee's work: Legal, Planning and Development, Finance, Communications, Information Management, and External Relations.

Egmont Group Secretariat (EGS): The Egmont Group Secretariat provides administrative and other support to the overall activities of the Heads of FIU, the Egmont Committee and Working Groups, as directed by the Heads of FIU, the Egmont Committee and the Working Group Chairs.

Regional Groups: the Egmont Group is furthermore divided in 5 Regional Groups each with its Regional Representatives:

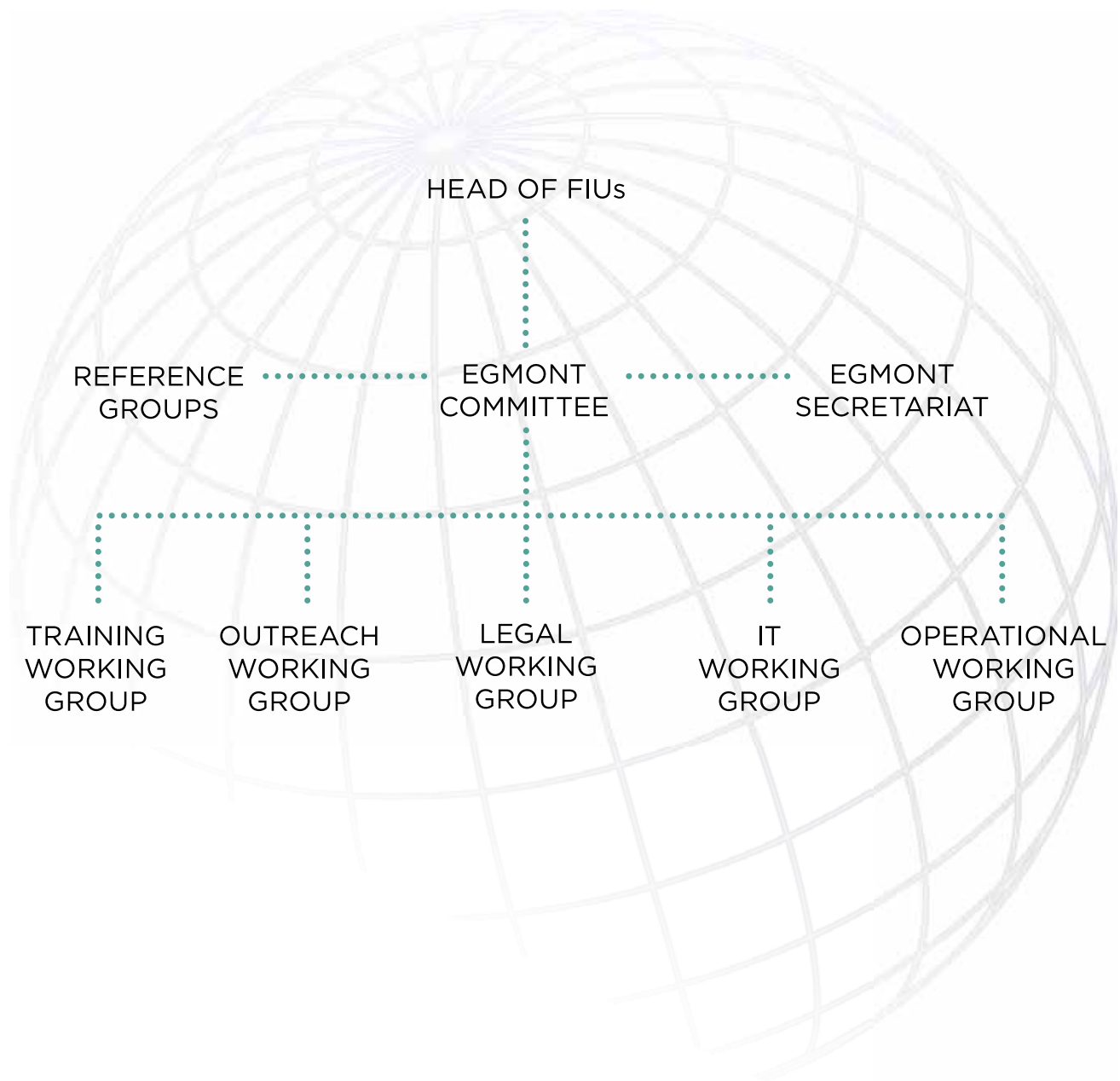
Africa region: 1 Regional Representative (FIU-Mauritius).

Americas region: 2 Regional Representatives (FIU-Mexico and FIU Bahamas).

Asia region: 2 Regional Representatives (Qatar FIU and FIU India)

Europe region: 3 regional Representatives (FIU-Germany, TRACFIN –France-, and SCFM –Ukraine-).

Oceania region: 1 Regional representative (AUSTRAC – Australia-).



EGMONT GROUP MISSION & KEY RESULT AREAS

The 'Egmont Group of Financial Intelligence Units Charter' was approved by the Egmont Group Heads of FIUs at Hamilton, Bermuda, on 31 May 2007 (www.egmontgroup.org). Under Section II, the Charter sets out both the strategic mission of the Egmont Group, as well as its objectives.

The goal (mission) of the Egmont Group is to provide a forum for FIUs around the world to improve co-operation in the fight against money laundering and financing of terrorism and to foster the implementation of domestic programs in this field. This support includes:

- expanding and systematizing international co-operation in the reciprocal exchange of information;
- increasing the effectiveness of FIUs by offering training and promoting personnel exchanges to improve the expertise and capabilities of personnel employed by FIUs;
- fostering better and secure communication among FIUs through the application of technology, such as the Egmont Secure Web (ESW);
- fostering increased coordination and support among the operational divisions of member FIUs;
- promoting the operational autonomy of FIUs; and
- promoting the establishment of FIUs in conjunction with jurisdictions with an AML/CFT program in place, or in areas with a program in the early stages of development.

The mission and objectives for the Egmont Group are implemented via specific strategies established in the 2009–2012 Egmont Group Strategic Plan. The Strategic Plan was developed after the 2008 Seoul Plenary and its purpose is to outline the broad direction for the Egmont Group over years 2009 to 2012. It also signals the strategic priorities for the Egmont Group in working toward achieving the broad Mission set out in the Egmont Group Charter.

These strategies should achieve results in six important areas identified as Key Result Areas.

These Key Result Areas are to:

1. Build a strong international network of FIUs.
2. Ensure effective international exchange of information.
3. Enhance communication.
4. Adhere to Best Practice and Standards.
5. Coordinate FIU-Related Technical Assistance and Training
6. Maintain an effective and sustainable infrastructure.

2009/2010
MEETINGS

MALAYSIA WORKING GROUP MEETINGS OCTOBER 2009

The Malaysian UPWBNM (Financial Intelligence Unit of Bank Negara Malaysia) hosted successful Egmont Working Group and Committee meetings in Kuala Lumpur, Malaysia, October 19–22, 2009. 52 FIUs attended the meetings in Kuala Lumpur with some non-members attending a side event that was organized in the margins of this meeting.



AFRICA OUTREACH & ASSISTANCE STRATEGY

The Egmont Group draft Africa Outreach & Assistance Strategy document was discussed by the Outreach Working Group (OWG) and Egmont Committee (EC). The strategy is to promote the establishment of FIUs in jurisdictions of the African region with an AML/CFT program in place, or with a program in the early stage of development; and assist in providing African potential candidates for Egmont Group membership with advice, technical assistance and support.

It was concluded that the FATF Style Regional Bodies (FSRBs) of the African continent, namely: MENAFATF, GIABA, and ESAAMLG, as well as the developing regional organization GABAC, are important partners in this strategy as they can assist the Egmont Outreach Working Group by providing reliable and current information on potential Egmont Group candidates in their region. All other Egmont member FIUs on the African continent were also invited to assist to help other FIUs on the African continent to become Egmont Group members by “sponsoring” these FIUs.

MUTUAL EVALUATION TRAINING PACKAGE

An FIU Mutual Evaluation Training Package that was developed by the Egmont Training Working Group was presented during the Malaysia meeting. This training package will provide information to help FIUs in preparing for an evaluation and how FIUs can demonstrate compliance with the FATF recommendations.



MAURITIUS WORKING GROUP MEETINGS MARCH 2010



The Mauritius FIU hosted successful Egmont Working Group and Committee meetings from 28 February to 4 March 2010 with 136 delegates from 50 Egmont Group FIUs, one Candidate FIU and four International Organizations attending this meeting.

For further information on the meeting see the April 2010 Newsletter:
<http://www.egmontgroup.org/library/newsletters>

Outreach event for prospective members in the Asian region:

The Malaysian FIU hosted an outreach event that was attended by directors and senior staff of FIUs that are not yet members of the Egmont Group. The program provided information on Egmont Group membership procedures and membership benefits and was attended by eight (8) FIUs from the following jurisdictions: Bangladesh, Brunei, Morocco, Oman, Pakistan, Samoan Islands, Solomon Islands, Vietnam. For further information on the Malaysia meetings, see the February 2010 Newsletter: <http://www.egmontgroup.org/library/newsletters>

BUDGET AND FUTURE ORGANIZATION

The Committee held lengthy discussions on the future organization of the Egmont Group, including the current workload, recognizing the requirement for the Group to still be able to work efficiently during the economic downturn. In order to ensure the resourcing of the Egmont Strategic Plan, the Egmont Group budget for 2010–2011, the long-term budget and contribution matrix and the Secretariat's Annual Business Plan 2010–2011 were also reviewed.

DONOR AND PROVIDERS GROUP

The TWG amongst other important agenda items adopted a Terms of Reference for a Donor and Providers Group (DPCG) on Technical Assistance and Training. This is an important initiative for the Egmont Group that will enhance coordination between the Egmont Group and other donors and providers in the design and delivery of FIU-related technical assistance and training (TA&T). The intent of the DPCG is to have TA&T that is demand driven by the needs of FIUs, rather than provider driven. More effective coordination will also assist in managing scarce resources by avoiding duplication, gaps and overlaps.



New Egmont Public Website: The new Egmont Group public website was launched on October 7, 2009 and contains links to different Egmont Group partner organizations. Features of the new website are:

- a modern design
- an interactive map and alphabetical listing of Member FIUs
- a Content Management System (CMS) which enables the Egmont Group Secretariat to easily manage and update all content on the site, as well as add/delete pages and documents
- search Engine Optimization to enhance Google searches to this site;
- transfer hosting of the website from FinCEN to the Secretariat

COLOMBIA 2010 PLENARY AND HEAD OF FIUs MEETING, JUNE - JULY 2010



The 2010 Plenary meeting was held in Cartagena, COLOMBIA.

The most important issues dealt with by HoFIUs during this session were the following:

FUTURE OF THE EGMONT GROUP

The Chair made an oral presentation to the HoFIUs during the Cartagena meetings on what type of Egmont Group the HoFIUs might want for the future, noting that he had discussed this at length with many HoFIUs during his 12 months as the Chair of the Egmont Group. It was emphasised that the Egmont Group, as an international network of FIUs, is primarily an operational entity that can develop project work for the mutual benefit of its members.

HoFIUs endorsed a paper from the Chair as the basis for continuation of project work within the Egmont Group. The 'Chair's paper' is to be converted into an Egmont procedure.

NEW CHAIR EGMONT GROUP

At the request of the Egmont Committee in Mauritius, Mr. Boudewijn VERHELST (CTIF-CFI, Belgium), Chair of the Legal Working Group (LWG), agreed to accept nomination for the position of Chair of the Egmont Group commencing July 2010. The Committee proposed Mr. VERHELST for formal endorsement by the Heads of FIUs at the plenary meeting in Cartagena on 29 June 2010 and HoFIUs unanimously endorsed the proposal. Mr. VERHELST, having been actively engaged in the Egmont Group since the very first meeting in Brussels in 1995, brings a wealth of knowledge and experience to the position.

NEW EGMONT GROUP MEMBER FIUs

The following FIUs, which brought the Egmont Group membership to 120, were welcomed as new members during the 2010 Cartagena Plenary:

- Afghanistan: FINTRACA
- Cameroon: NAFI-Cameroon
- Ivory Coast: CENTIF Cote d'Ivoire
- Uruguay: UIAF-Uruguay

COMPLIANCE WITH EGMONT GROUP TERRORISM FINANCING LEGISLATIVE REQUIREMENTS

HoFIUs noted during the Cartagena Plenary that the El Salvador FIU, which had been suspended during the May 2009 Doha plenary meetings, had taken significant steps to remain in the Egmont Group, and on 7 May 2010 had passed TF legislation that met the Egmont Group TF requirements. HoFIUs uplifted the suspension of the El Salvador FIU and completely reinstated this FIU as an Egmont Group member.

ENHANCING INTERNATIONAL COOPERATION

HoFIUs discussed the FATF review of Recommendation 40, the work conducted by the OpWG, the LWG and the breakout session held on international information exchange and Recommendation 40 during the Cartagena Plenary. A sub-group of volunteer FIUs (TRACFIN - France, SEPBLAC - Spain, EFFI - Liechtenstein, FinCEN - USA and MOKAS - Cyprus) agreed to examine the results of the fact finding exercises into Recommendation 40 and the information exchange enhancement project and draft a text to submit to the FATF.

FREQUENCY OF EGMONT GROUP MEETINGS

The Chair of the Egmont Group presented to the HoFIUs the EC's proposal to reduce the number of Egmont WG meetings from three (3) to two (2) a year. Given the budget restraints faced by FIUs, and the availability of modern communication systems and ESW IT tools, it was proposed that after June 2011 there would be one WG meeting at the end of January and another in the context of the annual Plenary meeting (at the end of June/early July). HoFIUs agreed with this proposal.

BUDGET AND REVISED CONTRIBUTION MATRIX 2011-2014

The HoFIUs endorsed the FY2010-2011 budget. It was considered that under the current economic environment, FIUs would not be in a position to approve an increase in their respective contributions. The Committee therefore recommended, and HoFIUs agreed, that the Egmont Group will maintain the base amount of the Contribution Matrix adjusted with contributions from new

members. The adjusted base amount will be divided among 120 Egmont Group member FIUs. The Revised Contribution Matrix will be fixed for a 3 year period (FYs 2011–2014) after which a new matrix will need to be approved again by the Heads of FIUs.



SUPPORT FOR THE FIU OF COLOMBIA: UIAF

Heads of FIUs noted the impressive performance and solid reputation of the host of the Cartagena Plenary, UIAF, since it has been a member of the Egmont Group. UIAF's past distinction as the best Colombian state entity according to Transparency International and the Colombian National Award for High Management in 2008 were also acknowledged.

SUSPICIOUS TRANSACTION REPORT (STR) SHARING PROJECT

At the May 2008 Egmont Group Plenary meeting in Seoul, the Egmont Heads of FIUs agreed to examine the issue of limitations on global financial institutions' ability to operate AML/CFT programs on an enterprise-wide basis due to legal limitations on sharing STRs and related information. The plenary decided to circulate a questionnaire to all Egmont FIUs which would gather further information about the laws and policies in the jurisdictions.

Of the FIUs that completed the survey, the majority indicated that enterprise-wide STR sharing across borders was allowed in varying degrees. While there is universal recognition of the need to ensure a balance between protecting the confidentiality of STRs and ensuring appropriate government review, there appears to be no consistency in the implementation of these underlying FATF principles in national laws, particularly as applied in a cross-border context. This lack of consistency may itself pose risks to the international financial system to the extent that it prevents global financial institutions from addressing vulnerabilities and also reporting relevant information to FIUs.

In a timely discussion, given the global financial crisis, at the May 2009 Egmont Group Plenary in Qatar, Heads of FIUs confirmed that given the findings of the survey, there was a need to look at the STR sharing issue in greater detail. A Working Group of Egmont

member FIUs from Australia, Belgium, France, Malaysia, Mexico, Peru, Spain, and the United States has been established to discuss the findings of the survey and the various approaches taken to STR sharing in order to identify the key operational issues and impacts. The Working Group will also explore avenues for bringing these issues to the attention of the Egmont Group membership and wider AML/CFT audience.

During the June-July Cartagena meeting HoFIUs heard from FinCEN, USA as facilitator of the Working Group, on the progress of a draft White Paper on STR sharing. The presentation included feedback from the breakout session on STR sharing. Comments were invited from HoFIUs so that these could be integrated into the next draft Paper on STR sharing.

FIU SECURITY PROJECT

Plenary Sessions in Cartagena looked at this project which is led by FinCEN (USA) and IMPA (Israel) and seeks to examine good practices in 'Securing an FIU'. In particular in securing:

- The FIU building
- FIU personnel
- FIU Information Technology (being led by the ITWG)
- FIU disaster recovery.

A current sub group of the FIUs of India, Japan, Belgium, South Africa, Philippines, Saudi Arabia and Honduras have all expressed an interest in contributing to the project. The project is expected to last for two years with a view to documenting best practices in June 2011.

FIRST MUTUAL EVALUATION TRAINING BASED ON EGMONT GROUP MET- PACKAGE

A Mutual Evaluation Training (MET) was piloted during the Cartagena Plenary week. The training program is intended to support Egmont FIUs in the preparation for, and follow up to, FATF/FSRB Mutual Evaluations and other assessments. The program is intended to provide a clear understanding of the obligations under the FATF standards, and how FIUs can demonstrate that they are meeting the requirements. The training also focussed on how FIUs can demonstrate effectiveness and collaborate with the assessment process in an open and constructive manner. Evaluation of the training indicated that it was well received by the participants. The training will be updated, improved and presented again during the 2011 Plenary meetings.

MEETING WITH REGULATORY FIUs

On the initiative of FinCEN (USA) a meeting was held with FIUs that have regulatory responsibilities during the June–July 2010 Cartagena Plenary, noting that many FIUs were being asked to take on responsibilities for AML/CFT regulation of money remitters and

Designated Non-Financial Businesses and Professions (DNFBPs). With this regulatory obligation there was a corresponding demand to make sure that FIUs with regulatory responsibilities could exchange information. The meeting suggested that a sub group could begin to look at issues facing FIUs with regulatory responsibilities. The topic will be reviewed at the next WG meetings in October 2010.

DONORS AND PROVIDERS GROUP

The Donors and Providers Contact Group (DPCG), led by FIA-Bermuda, has been set up to coordinate FIU training needs with donor and providers groups and organizations. The first meeting of this group took place in Cartagena, Colombia and the results were encouraging. The meeting was facilitated by the Director of FIA Bermuda and was attended by representatives of a number of international donor FIUs and organizations including: FINTRAC, FinCEN, MENAFATF, the World Bank, UNODC and the BCBS (Basel Committee on Banking Supervision). The meeting was an introductory event, where the various donor/provider organizations gave an overview of their work and mandate.

At the conclusion of the meeting two action items were identified i) the creation of an online facility within the Egmont secure forum for communication amongst the members of the DPCG and ii) the possibility for the release of information from the Egmont Group Bi-Annual Census to the members of the DPCG.

OUT OF SESSION DECISIONS

Between the 17th Doha, Qatar Plenary in 2009 and the 18th Plenary in 2010, the Heads of FIUs took some important decisions to strengthen the organisation and work of the Egmont Group.

Revision of Regional Representation–new formula: The EC in previous meetings considered options for a revised Egmont Group regional division and representation. The discussion reflected the history of the regional representation, going back to decisions taken during the 2002 Monaco Plenary which were subsequently endorsed in the “Internal Procedures of the Egmont Committee.” It was concluded that regional representation in the Egmont Group is based upon continental groupings and the number of representatives is a reflection of the number of FIUs located in the five (5) Egmont Group regions.

After careful consideration of different options the EC proposed to HoFIUs to retain the five (5) current regional divisions, but in the interests of maintaining a workable Committee size to accept a proposed numbers-based formula to guide regional representation into the medium term. The new formula included a maximum number of three (3) representatives for any one region. HoFIUs agreed with the proposals coming from the EC and decided out of session that as of July 2010 the membership and representative numbers are as follows:

<i>1 to 19 FIUs</i>	<i>1 Regional Representative</i>
<i>20 to 39 FIUs</i>	<i>2 Regional Representatives</i>
<i>40 or more FIUs</i>	<i>3 Regional Representatives</i>

Under this formula both the European and the Asian regions received one (1) additional Regional Representative. To facilitate the most effective implementation of this decision, the EC agreed to seek out of session approval from HoFIUs to enable the additional regional representatives to be selected and confirmed during the Cartagena, Colombia Plenary meetings which took place in June/July 2010. The current overview of Regional Representatives is indicated on page 27.

	Member FIUs	Regional Rep.
Africa	8	1
Americas	32	2
Asia	21	2
Europe	52	3
Oceania	7	1

Egmont – FATF Joint Experts Meeting Progress : The Egmont Group has proactively been seeking a closer working relationship with the FATF during this reporting year. Current Egmont initiatives with the FATF include:

- A Joint Egmont/FATF Experts’ Meeting (JEM) to be held in November 2010 in South Africa, hosted by the Financial Intelligence Centre (FIC).
- FIU contributions to the FATF typologies project examining operational issues in relation to Recommendations 27 and 28 (co-ordinated by the Egmont Group Secretariat).
- Providing the FATF Working Group on Evaluation and Implementation (WGEI) with information from the Egmont Group with respect to FIU experience in international FIU to FIU co-operation, in order to assist with the 4th round review by the FATF of Recommendation 40.

AFRICA OUTREACH AND ASSISTANCE STRATEGY

The Draft Egmont Group Africa Outreach and Assistance Strategy 2010–2012 was presented ‘out of session’ to HoFIUs. The Heads noted that the Purpose of the Strategy rose from the first Key Result Area in the Egmont Group Strategic Plan 2009–2010, which is to: “Build a Strong International Network of FIUs” in order to improve operational cooperation in the fight against money laundering and the financing of terrorism.

The Heads of FIUs also noted the diverse challenges that the African jurisdictions encounter that affect the implementation of ML/FT regimes across the region. The region is frequently characterized by cash economies and weak national institutional structures. While each country has its own specific ML/FT risk profile, there were some generic challenges this region faces in the development of effective FIUs. The Heads of FIUs supported the objectives of the Strategy and noted the actions required by the different groups within Egmont in order to take the work forward.

REPORT ON SURVEY OF FIU GOVERNANCE ARRANGEMENTS

The Egmont/World Bank Survey of FIU Governance Arrangements was finalized in 2009 and a summary of the study was publicized on the Egmont Group and World Bank websites. The study was intended to generate baseline information about the kinds of governance arrangements that have been put in place among a broad range of Egmont member FIUs, with a view to making it possible for both Egmont and the World Bank to provide advice to existing and emerging FIUs as to useful and effective governance structures.

PROCEDURE FOR GRANTING OBSERVER STATUS TO THE EGMONT GROUP

Given the recent move toward more inclusive Egmont Plenary and Working Group sessions that encourage and promote the exchange of knowledge and expertise between HoFIUs and the international AML/CFT organizations, in late 2009, the Heads of FIUs approved formal criteria, and a process, for granting Observer status to requesting entities.

The requesting organization should:

- be governmental, or inter-governmental, and non-profit and non-commercial in nature
- have a stated role relating to AML/CFT
- support the Objectives of the Egmont Group
- enhance the Egmont Group's global reach, geographically and/or within the AML/CFT sector
- be able to make a practical contribution to benefit the work of the Egmont Group.

Enterprises representing the private sector are not eligible for Observer status, even if non-commercial and non-profit in nature. Additionally, if the organization becomes an Observer, the opportunity for reciprocity would need to exist between it and the Egmont Group, including with respect to attendance at meetings and Working Groups and information sharing on AML/CFT issues.

BUSINESS PLAN ACTIVITIES UPDATE ON 2009/2010

EGMONT COMMITTEE

The Egmont Committee in the period of 2009–2010 in accordance with the 2009–2012 Strategic Plan continued to provide leadership and coordination between the various Working Groups and the Secretariat. Consistent with the Egmont Group Charter it has served as the operating arm of the HoFIUs on some urgent implementation matters (e.g.: representation in meetings of other international organizations).

Permanent representation within the Egmont Committee includes the five (5) Working Group Chairs, the nine (9) Regional Representatives, the host of the Egmont Secure Web (ESW) and the Executive Secretary of the Egmont Group Secretariat.

During the 2010 Egmont Plenary in Cartagena Colombia, Mr. Luis URRUTIA (FIU-Mexico) stepped down as Chair of the Egmont Group as he took on the FATF Presidency in June of 2010. Egmont Committee members recommended Mr. Boudewijn VERHELST from the Belgian FIU (CTIF-CFI), as the new Chair. This appointment was ratified by the HoFIUs.

In addition, in 2009, the former Director of the Chilean FIU, UAF Chile, stepped down as Chair of the Information Technology Working Group (ITWG) and the Director of FIU Netherlands was elected to the position. FIU Mexico was appointed as Vice Chair of the ITWG.

The following Chairs of Working Groups and Regional Representatives were furthermore appointed during the Cartagena, Plenary:

- **Legal Working Group (LWG)** – UIF-Italy was confirmed as Chair and FinCEN (USA) as Vice Chair.
- **Operational Working Group (OpWG)** – EFFI Liechtenstein was confirmed as Chair, with FMC- Armenia and IMPA-Israel as Vice Chairs.
- **Europe Regional Group:** TRACFIN (France), SCFM (Ukraine) and FIU-Germany were confirmed as regional representatives.
- **Asia Regional Group:** QFIU (Qatar) and FIU-IND (India) were confirmed as regional representatives.
- **Americas Regional Group:** FIU-Mexico was confirmed as co-regional representative.

Egmont Committee: FINTRAC (Canada) and EFFI (Liechtenstein) were confirmed as the Vice Chairs of the Egmont Committee and the reconstituted Committee met for the first time during the Cartagena Plenary Meeting.

MEMBERSHIP OF THE EGMONT COMMITTEE

Chair, Egmont Group	CTIF-CFI (Belgium)
Co-Vice Chair,- Chair Operational WG	EFFI (Liechtenstein)
Co-Vice Chair,- Chair Training WG	FINTRAC- CANAFE (Canada)
Permanent - Chair, LWG	UIF-Italy
Permanent - Chair, IT WG	FIU- Netherlands
Permanent - Chair, Outreach WG	SEPBLAC (Spain)
Regional - Americas	FIU-Bahamas
Regional - Americas	FIU-Mexico
Regional - Asia	FIU-IND (India)
Regional - Asia	QFIU (Qatar)
Regional - Africa	FIU-Mauritius
Regional - Europe	TRACFIN (France)
Regional - Europe	SCFM (Ukraine)
Regional - Europe	FIU-Germany
Regional - Oceania	AUSTRAC (Australia)
ESW - Representative	FinCEN (USA)
Executive Secretary	EGS

Egmont Group Governance Structure: During the past year the Committee continued discussions on the Egmont Governance structure. During the October 2009 WG meetings in Malaysia the Committee discussed a paper on the Egmont Governance Study presented by FINTRAC (Canada). The Governance Study dealt with topics such as: the selection processes for the Vice-Chairs of the Egmont Committee and chairs of the Egmont Working Groups, as well as the roles of the Egmont Committee, the Egmont Secretariat and the responsibilities of key Egmont leadership positions. The paper presented by FINTRAC compared the governance structures of nine (9) International Organizations that had responded to a survey that was sent out for this purpose during 2009. During a

lengthy discussion, the EC agreed to maintain the current Egmont Group model with respect to the current governance structures; however it was agreed that some further work could be carried out on selection procedures for positions such as the chairs of the Working Groups.

EGMONT WORKING GROUPS

Operational Working Group (OpWG)

The objectives of the OpWG are to foster increased cooperation among the operational divisions of the member FIUs, and to coordinate the development of studies and typologies—using data collected by the FIUs—on a variety of subjects useful to law enforcement agencies. In 2009–2010 the OpWG continued working on the Egmont Group 2009–2012 Strategic Plan and elaborated on the implementation strategies outlined below.

OpWG June 2009 – June 2010 Implementation Strategies
1. Strengthen the International FIU network - operational ties between Egmont FIUs.
2. Provide advice to member FIUs on issues related to best practices in FIU operations and implementation of the international AML/CFT standards.
3. Provide experts and develop typologies that can be applied to enhance operational efficiency and cooperation.
4. Develop Databases to enhance the efficiency of operational information exchange.
5. Increase Coordination and Support in the existing FIU Network.
6. Formulate best practices policies and procedures to increase support for the exchange of operational information.
7. Develop practical mechanisms to increase coordination and engagement amongst the operational division of Egmont FIUs.
8. Develop a strategy to enhance private sector engagement with the Egmont Group and FIUs.
9. Develop best practices and sanitized cases to improve feedback to the private sector from FIUs.

OpWG Update on Projects:

Terrorist Financing Paper: The Terrorist Financing (TF) Paper was finalized and adopted. The paper is a handout that enumerates frequently observed indicators of transactions associated with terrorist financing activities. The Compilation and Review of Sanitized Cases on TF is available on the Egmont Public Website: <http://www.egmontgroup.org/library/cases>.

Asset Recovery Intelligence System: The OpWG reconstituted a pilot group of FIUs to test and evaluate an information technology system indicated as "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. The ARIS has been developed by the International Center for Asset Recovery (ICAR).

Information Exchange Enhancement Project: Members of the OpWG are preparing a methodology to review 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 enable the collection of statistics on information exchanges, as well as qualitative data.

Working with International Partners: The OpWG welcomed the attendance and participation of the FATF, MONEYVAL, the International Criminal Court and the Wolfsberg Group during its meetings held in the past reporting year. Amongst other projects a Joint Experts Meeting between the Egmont Group and the FATF will be hosted in November 2010. Additionally, the OpWG in a joint initiative with the Wolfsberg Group has been examining the impact of the financial crisis on money laundering methods and trends.

The OpWG decided during its Cartagena meeting in June 2010 to advance a project on the impact of tax crimes as a money laundering predicate and to contribute to FATF efforts examining money laundering vulnerabilities arising from the trafficking of human beings.

Legal Working Group (LWG)

The objectives of the LWG are to protect the FIU-specific character of the Egmont Group and to enhance the mutual cooperation and information exchange between FIUs. The LWG reviews the candidacy of potential members and handles all legal aspects and matters of principle within the Egmont Group. It has been instrumental in drawing up the Egmont Group's formal documents such as the Statement of Purpose; Principles of Information Exchange; a Memorandum of Understanding covering intelligence exchange between FIUs; and the Egmont Group of Financial Intelligence Units Charter. In 2009–2010 the LWG continued working on the Egmont Group 2009–2012 Strategic Plan and elaborated further on the following Implementation Strategies:

LWG July 2009 – June 2010 Implementation Strategies

1. Promote the Establishment of FIUs
2. Ensure the exclusivity of the Egmont Group as an FIU forum.
3. Monitor the due implementation of the Egmont Group principles of Information Exchange.
4. Provide legal information on rulings and decisions relevant to FIU operations.
5. Provide legal support to the Egmont Group members on issues broadly affecting the FIU functions, particularly but not exclusively, related to mutual cooperation.

LWG Update:

New Egmont members: The Legal and Outreach Working Groups continued 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. Between June 2009 and May 2010, the LWG reviewed the membership applications received from 4 FIU candidates (Afghanistan, Cameroon, Ivory Coast, and Uruguay). All FIUs were admitted as members during the 2010 Cartagena, Colombia, Plenary.

Library of court decisions: The LWG continued with the development of a library of court decisions for use by all Egmont members. The Egmont Group Legal Library (EGLL) would serve as a collection of court decisions and rulings relating to issues of general or particular interests to the work of FIUs in its broad sense and to the law relevant to money laundering and financing of terrorism offenses. The LWG, after a trial period, decided during the 2009 plenary in Qatar to further develop the initiative to establish a comprehensive library collection. One coordinator of each FIU was proposed to be in charge of reviewing the international relevancy of the national material. Besides the court decisions and rulings, the EGLL will contain some general information as well, about the type of FIU, the contact person, legal system. The LWG has already received different cases during the 2009–2010 period.

TF Compliance: The LWG continued to monitor compliance of FIUs with the Egmont Group membership with regards to terrorism financing requirements. The LWG completed its TF project by issuing a final report to the Egmont Committee during the 2010 Cartagena, Colombia plenary as to the state of compliance with the TF criteria of the Egmont Group definition. A proposal for withdrawal of the expulsion of the FIU of El Salvador was emitted by the LWG and accepted by HoFIUs based on introduction of adequate TF legislation which made El Salvador compliant with Egmont Group requirements.

Principles of Information Exchange: the LWG discussed the practice of requiring identification of a predicate offense for the existence of an active criminal investigation as condition for complying with an Egmont information request and concluded that this is contrary to the EG Principles of Information Exchange.

Chair LWG: the LWG during its meeting in Cartagena selected the FIU of Italy to serve as the Chair of the Working Group in succession of the LWG Chair, Mr. Boudewijn VERHELST, who has agreed to serve as incoming Chair of the Egmont Group. The LWG members expressed their gratitude to Mr. VERHELST, for his 15 years of leadership and work serving within the LWG. The incoming Chair from Italy thanked LWG members for the confidence placed in him as incoming Chair LWG.

Training Working Group (TWG)

The objective of the TWG is to provide a forum for Egmont Group FIUs to increase the effectiveness of Egmont Group members and other FIUs by offering opportunities to enhance skills, knowledge

and expertise through broad-based training initiatives. The TWG identifies training needs and opportunities for FIU personnel, and conducts training seminars for Egmont members and non-members. The TWG continued working on the Egmont Group 2009–2012 Strategic Plan and elaborated further on the following implementation strategies during 2009–2010:

TWG July 2009 – June 2010 Implementation Strategies

1. Develop two training packages with the completion of one package per year.
2. Develop program to implement training package.
3. Implement program for delivery of training.
4. Develop and maintain materials for posting on ESW for use by Egmont members.
5. Coordinate TWG requirements for Biennial Census to ensure the collection of current and relevant information.
6. Assist in the development and maintenance of a database of sanitized cases to assist in the strategic analysis for Egmont Group members and for use as training tools.
7. Plan and coordinate major training events for the Egmont Group.
8. Develop and facilitate a program for secondments and exchanges among Egmont Group members.
9. Develop Egmont newsletters to inform Egmont members and international organization of the work of the Egmont Group.

TWG Update on Projects:

Cartagena, Colombia Plenary Training sessions: The TWG presented an interesting program of training sessions for all participating FIUs during the 2010 Cartagena, Colombia plenary meetings. The Plenary training sessions additionally are an ideal opportunity for international organizations that hold observer status with the Egmont Group to share information with Egmont member FIUs. The 14 training sessions for the Cartagena Colombia plenary meetings involved training on evaluations of an FIU, a

Master Class on FIU Governance (developed in conjunction with the World Bank), a case study from a Law Enforcement FIU, and on Proliferation Financing.

Mutual Evaluation Training Package: Over the past years, the TWG has put considerable effort and resources into the design and development of a Mutual Evaluation Training Package (MET). The aim of the MET is to assist FIUs to prepare for a mutual evaluation, or similar assessment, with an emphasis on demonstrating effectiveness.

The TWG, with experts from MONEYVAL, the World Bank, FIU Estonia and FINTRAC, piloted the Egmont Mutual Evaluation Training Course in Cartagena, Colombia. Twenty seven participants benefited from the training which focused on FIU related FATF recommendations. Plans for the next training will be reviewed by the TWG during the October 2010 WG meetings.

Egmont Donors and Providers Contact Group: The TWG is working to strengthen its relationships with international organizations working to enhance the capability of FIUs globally. An example of this collaborative spirit is the new Egmont Donors and Providers Contact Group on Technical Assistance and Training launched at the Egmont Plenary in Cartagena, Colombia.

FIU Secondment Proposals: One of the goals of the Egmont Group is to promote “personnel exchanges to improve the expertise and capabilities of staff employed by FIUs.” The TWG business plan for 2009–2010 indicated that the TWG would develop and facilitate a program for secondments and exchanges among Egmont Group member FIUs. A secondment is a temporary transfer of a staff member to another organization for a specific length of time and sometimes a specific purpose. An exchange can be defined as the reciprocal temporary transfer of staff members between two organizations for a specific length of time and sometimes a specific purpose.

During 2009 the TWG proposed a terms-of-reference document for secondments and exchanges among Egmont Group members and a document of requirements for participants and host FIUs. A specific contract (MOU), to be signed between both FIU and staff member involved, was also developed.

Tactical Analysis Training Course: Training Working Group members delivered a Tactical Analysis training Program and Train-the-trainer program in St. Maarten, The Netherlands Antilles in July 2009. The Bermudian FIU recommended continuation of the train-the-trainer program. The TWG then provided a regional training in Kazakhstan hosted by the World Bank in October 2009. Additionally, the analysts of the FIU of Suriname and the Dominican Republic received the Tactical Analysis Training respectively in October 2009 and June 2010 which was provided to them by TWG representatives of the MOT Netherlands Antilles.

Egmont, in collaboration with the World Bank, will begin the formal global roll-out of the Egmont Tactical Analysis Course in eight (8) FSRB regions over the next 18 months. This CA\$788,000 project has been made possible by the Government of Canada through

a generous grant under the Counter Terrorism Capacity Building Program (CTCB). The first two workshops will take place in the fall of 2010; in Malaysia (APG) and Mexico (GAFISUD).

In Colombia, the TWG agreed to evaluate plans for the development of an Advanced Tactical Analysis Course. FIU-Mexico and FIA-Bermuda will present a concept note for the level 2 course in the next October 2010 Egmont meetings.

Strategic Analysis Course: the material for this course will be completed by the TWG and reviewed during the October 2010 TWG meetings. The comprehensive package will include a facilitator’s guide, a participant’s manual and power point presentations.

AML-CFT Video: the AML-CFT video under development by the TWG is planned to be completed by October 2010. The video will be made available to Heads of FIUs on the Egmont Secure Web in three languages (English, French or Spanish). The project was funded by the Government of Canada through the Counter Terrorism Capacity Building Program (CTCB).

Outreach Working Group (OWG)

The OWG seeks to promote the establishment of FIUs in conjunction with countries that have in place an AML/CFT program or in areas with a developing program. The OWG concentrates on expanding and developing the FIU global network, and identifies countries that have established or are establishing FIUs. The OWG continued working on the Egmont Group 2009–2012 Strategic Plan and concluded the following activities during 2009–2010:

OWG July 2009 – June 2010 Implementation Strategies

1. Promote the establishment of FIUs, and the Egmont idea, via cooperation with international organizations and FSRBs; participation in international events; and contact with non-Egmont FIUs.
2. Identify potential candidates; provide necessary support and technical assistance; and act as sponsor FIU to Egmont candidate FIUs.
3. Confirm the operational status of candidate FIUs when the sponsors identify that such status has been reached.
4. Confirm the Status of FIUs that have undergone significant changes as to establish that they still meet the Egmont Group criteria.

OWG Update on Projects:

Situation of Candidate Jurisdictions: The situation of several jurisdictions listed on the Candidates Matrix was reviewed by the OWG during this past year. It was noted that several Candidate FIUs were eligible to become Egmont Group members in the short term (next two years) if they continued to progress as envisaged by their Sponsor FIUs.

Outreach to the African region:

The OWG agreed that all OWG members should continue working to achieve tangible results in the form of new Egmont Group members from the African continent. It was also agreed that the FSRBs on the African continent (ESAAMLG, GIABA, MENAFATE, and GABAC) will continue to receive periodical information on non-Egmont Group members in their regions.



The OWG is also exploring future collaboration with other institutions involved in providing assistance to countries from the African continent, such as the African Development Bank.

Additionally, the OWG has initiated the development of a similar strategy directed to countries from the Oceania region, in particular to the Pacific Islands jurisdictions.

New Power Point presentation on Membership Procedures: A Power Point presentation to promote membership and explain the Egmont Group membership procedures was finalized by the OWG and will soon be launched on the Egmont Group public website.

Collaboration with International Organizations: The OWG continued cooperation with International Organizations, such as the WB and the IMF, as well as different FSRBs, to review and support the progress of FIUs that are not yet members of the Egmont Group.

Information Technology Working Group (ITWG)

The role of the ITWG is to provide advice and technical assistance to new and existing FIUs seeking to develop, enhance or redesign their IT systems. This Working Group also examines new software applications that might facilitate FIU analytical work. During this period the ITWG changed leadership: the Dutch FIU (MOT) replaced the Chile FIU (UAF-Chile) as Chair of this Working Group. The ITWG continued working on the Egmont Group 2009–2012 Strategic Plan and made progress on the following projects during 2009–2010:

ITWG July 2009 – June 2010 Implementation Strategies

1. Preparing and delivering IT Systems Presentations at Egmont meetings and other venues.
2. Provide assistance in the development of common FIU IT services.
3. Promote awareness of IT Security issues.
4. Assist FIUs in identifying IT needs & opportunities.
5. Increase automation and integration of information exchanges between FIU.net and ESW.
6. Encourage FIUs to exchange information on their experiences in the use of various software products and solutions.
7. Research software products that can be used to meet the specialized needs of FIUs.

ITWG Update on Projects:

Collaboration and Analytical Tools: ITWG members piloted a new technique for working together, attempting to establish bilateral partnerships between FIUs with complementary IT issues and expertise. Partnered teams met at the Kuala Lumpur meetings to explore areas where they could benefit from such cooperation and they will attempt to carry these discussions forward between meetings. Members also discussed the value of using the new ESW collaboration tools to work together between meetings; however recognizing the challenges to doing this successfully.

FIU-IT System Maturity Model (FISMM): The ITWG during this reporting year has been developing a paper on an FIU IT System Maturity Model. The IT Working Group wants to set up the FISMM

as a self assessment tool for FIUs. FISMM can help FIUs to define where they stand, where they want to be and how they can get there vis-à-vis IT. The goal is to give FIUs an instrument that they can use to determine where (in what domain) they can put resources to improve their IT system maturity. The aim is to finalize the project before the 2011 Egmont Plenary.

Egmont Secure Web (ESW) Communities: The standard Communities within the ESW have been established for all Working Groups in the reporting year. The members of the IT Working Group were encouraged to use the IT Working Group Community in the ESW as a means to communicate and cooperate with one another.

GoAML: The ITWG is collaborating extensively with the United Nations Office on Drugs and Crime (UNODC) that is developing the FIU software indicated as goAML. UNODC officials provided updates on the development and deployment of goAML during the Malaysia and Mauritius meetings in this reporting year. Since the Kuala Lumpur, Malaysia ITWG meeting (October 2009), goAML has been deployed in Bermuda, South-Africa and the Palestinian Authority. More features are being built into the system, like the charting option. It is also now available in Arabic. The goAML system is expected to be deployed in the Netherlands by the end of 2010.

FIU.NET: FIU.NET allows FIUs from within the European Union to exchange information in a decentralized and structured way. The ITWG received a presentation from FIU.NET on the new version of this application during the Mauritius ITWG meetings. In the next couple of years, the Egmont Group IT Working Group and FIU.NET Bureau will explore how cooperation can be further enhanced and how the ESW can benefit from the FIU.NET functionality.

FIU Security Project: The ITWG is involved in the Securing an FIU Project, initiated by FinCEN (USA). The project focuses on security related issues an FIU has to deal with. The ITWG will be especially involved on IT and Cyber security. A Best Practices Guide on Securing an FIU is expected to be presented at the Egmont Plenary of 2011.

EGMONT GROUP SECRETARIAT (EGS)

The Egmont Group Secretariat provides administrative and other support to the activities of the HoFIUs, the Egmont Committee and the Working Groups. The Secretariat is headed by an Executive Secretary who is appointed by the HoFIUs and reports to them through the Egmont Committee.

The Secretariat's activities for the year 2009–2010 support the Egmont Group Strategic Plan 2009–2012 and a mix of core business tasks, as well as special projects that have been completed by the Secretariat. A project-based approach was taken to plan, run and follow-up each major task, or event, and common performance standards were adopted.

EGS July 2009 – June 2010 Key Tasks

1. Providing organizational and administrative support to the Egmont Committee and Working Group meetings and the Egmont Group Annual Heads of FIUs Meeting and Plenary.
2. Implementing the Secretariat's financial and administrative processes.
3. Developing an Egmont Group communications strategy.
4. Coordinating and implementing the redevelopment of the Egmont Group public website.
5. Supporting the development and administration of the 2009 Egmont Group Biennial Census.
6. Providing administrative support to facilitate the Egmont membership application process.
7. Developing strategies to strengthen the relationships between Egmont and other key AML/CFT regional and international organisations.
8. Supporting the development of an Egmont Group Technical Assistance and Training Strategy.

One of the key changes during the 2009–2010 year was the recruitment of a fifth staff member who joined the Secretariat in February 2010. The new Senior Officer is responsible for covering FATF and other international matters as well as, within Egmont, providing liaison and support for the Europe Regional Group, the OpWG, the Egmont Committee and the HoFIUs meeting. The position also covers the provision of advice and support on communication and IT strategies.

The additional resource of the Senior Officer has enabled the Egmont Group to make substantive contributions to some key projects within the FATF, the outcomes of which are likely to be of longer-term significance to FIUs.

The EGS provided both preparatory and on-site support to three Egmont events during the year. These events included the Egmont Committee and Working Group meetings held in Kuala Lumpur, Malaysia, in October 2009 and in Mauritius in March 2010 as well as the Egmont Group Plenary held in Cartagena, Colombia, in June 2010. The EGS is very grateful to all the host FIU organising teams for their contribution and commitment to making each Egmont event a success.

The event management responsibilities have continued to grow for EGS (and the host FIUs), as the individual Egmont events have become larger and more complex as members seek to take advantage of the opportunity to benefit from the training sessions provided, as well as to meet and exchange experience and ideas with other FIUs and the international AML/CFT network. At the meeting held in Cartagena in June 2010, the Heads of FIUs agreed to reduce the number of Egmont events from three (3) per year, to two (2). This was in recognition of the costs involved in travel and the new opportunities that are available to use internal Egmont IT networks to advance Working Group projects out of session. The Secretariat will play a crucial coordination and liaison role in supporting this virtual operation of the Working Groups between sessions.

In addition to the usual financial reporting and budget preparation and the receipt of another clean Independent Audit Report, the significant corporate tasks supported by the EGS during the 2009–2010 period included a long-term budget planning exercise and subsequent preparation of a revised Egmont Membership Contribution Matrix. This work was carried out in conjunction with the Egmont Committee's Finance Reference Group (FRG). As part of the exercise, a salary compensation report was commissioned to review the existing compensation policies of the Secretariat. The results were integrated into the budget planning information. The revised Contribution Matrix: 2011–2014 was endorsed by the Heads of FIUs at their meeting in Cartagena.

A first draft of an Egmont Group Communications Strategy was prepared and includes coordination of Egmont Group Newsletters; preparation of the Annual Report; preparation of post-meeting bulletins and media releases; and on-going review and upgrading of the Egmont Group public website. This draft strategy will be referred to the Information Management Reference Group (IMRG), who will also be asked to review policies for the release of Egmont Group information to AML/CFT partner organizations.

The Egmont Group's public website was redesigned during the year, however, in advance of the Communications Strategy. This redesign was given priority as it was considered to be urgent based on user feedback. The new website is now fresh and modern-looking and will be further developed to keep it current and enhance communications with international AML/CFT partners via the member log-in section.

The Secretariat provided significant support in the development and administration of the 2009 Egmont Group Biennial Census. It was satisfying to receive 109 completed surveys from a pool of 116 members. This was considerably higher than the previous census and the highest rate of return for any Egmont survey. The Secretariat will work with the IMRG to develop a policy to cover what basic/factual information from the Biennial Census might be able to be made available to international AML/CFT partners.

In an inaugural move, the Secretariat supported the Training Working Group (TWG) to develop an Egmont Group Donors and Providers Contact Group on Technical Assistance and Training (DPCG). The Secretariat assisted with developing the core concept, as well as the initial Terms of Reference. The EGS also assisted the TWG to access a substantial donor contribution of CA\$828,600 from the Canadian Counter-Terrorism Capacity Building Program. This funding will support the development of an AML/CFT Awareness Video that will be available to all Egmont FIUs as well as the delivery of Tactical Analysis Workshops in eight regions over the next 18 months.

The Secretariat supported the OWG to communicate with regional and international organisations in the outreach to new members, which resulted in these organisations being invited to participate in the OWG meetings. This cooperation has resulted in valuable additional information being available for the OWG's discussions on potential Egmont Group members.

At the Qatar Plenary in May 2009, the Secretariat proposed and supported the inaugural meeting between FSRBs and the Egmont Regional Representatives. This was in recognition of the crucial role that the FSRBs and the regional activities play in the implementation of AML/CFT regimes, including the establishment and development of FIUs. The Secretariat again made provision for the joint meeting in June 2010, with EGS facilitating; however the purpose of these meetings needs to be more clearly defined to maximise the benefits for the participants. The Secretariat will continue to find ways of ensuring more effective contact with the FSRBs, for example via teleconferences and meetings in the margins of other international meetings, such as the regular meetings of the FATF.

The Secretariat coordinated the development of the Egmont Group Africa Outreach and Assistance Strategy, in conjunction with the Chair of the OWG the Regional Representative for the Egmont Africa Region, the Chair of the TWG and the FSRBs. This work is on-going and the Strategy will be enhanced to focus on the challenges faced by the region and what collaboration opportunities exist with international partners.

A Procedure for Granting Observer Status in the Egmont Group was prepared by the EGS and approved by HoFIUs out of session; and a new formula for regional representation was developed by EGS and adopted by the HoFIUs. This formula resulted in additional Regional Representatives for the Asia and Europe regional groups.

The Executive Secretary attended relevant FATF meetings during the year, representing the Egmont Group. Following from one of the FATF WGTYP meetings, the EGS played a central coordination role in securing a host FIU and HoFIUs' support for a Joint Egmont-FATF Experts' Meeting (JEM) to be held in South Africa in November 2010. This is a historic meeting as it will be the first time the FATF has had a joint typologies meeting with an observer entity that is not one of the FSRBs. Given this, the Secretariat's work to support the JEM will intensify in the coming year, as the planning tasks and demands for technical input increase. The JEM will be one of the key business tasks for the upcoming 2010–2011 period.

REGIONAL ROUND-UP

AMERICAS REGION

During the period 2009–2010, a Tactical Analysis Training & Train the Trainers Workshop was held in Philipsburg, St. Maarten, West Indies, and Santo Domingo in the Dominican Republic. Representatives of MOT (FIU) of the Netherlands Antilles and FinCEN (United States) were the facilitators for these workshops. Participants reported the Workshops as significant successes.

FIU-Mexico, with the important support from FinCEN representatives, created a Spanish Speaking Community on the ESW. FIU-Mexico has invited the members to join this community and will continue to urge them to use it.

The Uruguay FIU: Unidad de Información y Análisis Financiero (UIAF)-Uruguay became a member of the Egmont Group during the 2010 Cartagena Plenary.

AFRICA REGION

The Mauritius FIU hosted the successful March 2010 Egmont Working Group meetings.

Two (2) African FIUs, namely those of Cameroon (Agence Nationale D'Investigation Financière), and Ivory Coast (Cellule Nationale de Traitement des Informations Financières) became members of the Egmont Group during the 2010 Cartagena Plenary.

Other major developments during 2010 in Africa relate to the enactments of AML-CFT legislation in Ghana and Kenya. Furthermore, Uganda has completed a sensitization exercise on its AML-CFT legislation which will be introduced in Parliament during 2010.



ASIA REGION

Since the May 2009 Egmont Group Plenary in Doha, Qatar, there have been various initiatives taken by jurisdictions in the Asia Region to strengthen further the AML-CFT regime. Initiatives have been taken by: Macau; Philippines; Taiwan; Qatar; Mongolia; and Malaysia. The initiatives taken are generally focused on relationship building, cooperation on sharing of information, sharing of legal framework and implementation of specific FATF Recommendations and training.

Malaysia, as the host for the October 2009 Working Group and Committee Meeting and in its capacity as the Asia Regional Representative, arranged for a 1.5 day seminar for potential Egmont members in the region. The program was organized with the assistance from the OWG's Chair and Vice Chair. Thirteen (13) participants from ten (10) jurisdictions registered for the seminar.

UPWBNM, the Malaysian FIU, with support from AUSTRAC of Australia, JFIU of Hong Kong, FinCEN of USA and HM Revenue and Customs of United Kingdom organized an Advanced Analysis Workshop for jurisdictions in the region, which took place from November 16–20 2009.

EUROPE REGION

The third European Union AML-CFT directive is an important change for European countries, as it brings European legislation up to date with international requirements. In the revision of transposition of the 3rd European Union AML-CFT directive by the European Commission in January 2010, only two (2) countries had not implemented the directive, while two (2) others have done it partially.

The FIU.NET Bureau (www.fiu.net) has launched a project for the period 2009–2011, called: More ambition! More use! The aim of this project is to strengthen the objectives of FIU.NET which are: to expand the FIU.NET network; to intensify the international cooperation and to improve the FIU.NET application. Twenty countries are now connected to the FIU.NET.

The FIU Platform is a forum set up to discuss AML-CFT issues between European Union FIUs. During a meeting in December 2009 the forum focused on the future of the FIU Platform, ways to strengthen it and how to improve the council decision on the exchange of information between FIUs.

OCEANIA REGION

Initiatives in the Oceania region during 2009–2010 included the passage of new AML-CFT legislation by New Zealand and Solomon Islands, and the signing of both domestic and international MOUs for the exchange of information by FIUs in the region.

In 2009, AUSTRAC received funding to conduct a 12-month TA&T capacity building program for FIUs in the Pacific, the Pacific Region FIU Capacity Building Project. The program ran from May 2009 to May 2010 (subsequently extended to October 2010). The program involved two (2) regional workshops, three (3) in-country mentoring visits, and IT support (remote and face-to-face) for jurisdictions provided with database installation.

As part of this program, on 13–15 July 2009, AUSTRAC hosted its first Pacific regional workshop for participants from the FIUs of 12 Pacific Island countries in the Oceania region. The 'International Cooperation' section of the workshop provided attendees with an overview of the Egmont Group and the membership application process, along with the associated benefits of Egmont membership.

EGMONT GROUP PLENARY MEETINGS 1995–2010

Egmont Plenary XVIII Cartagena, Colombia:
June, 28 – July, 1 2010

Egmont Plenary XVII Doha, Qatar:
May, 25 2009 – May, 29 2009

Egmont Plenary XVI Seoul, South Korea:
May, 25 2008 – May, 29 2008

Egmont Plenary XV Hamilton, Bermuda:
May, 28 2007 – June, 1 2007

Egmont Plenary XIV Limassol, Cyprus:
June, 12 2006 – June, 16 2006

Egmont Plenary XIII Washington, D.C., USA:
June, 27 2005 – July, 1 2005

Egmont Plenary XII Guernsey:
June, 23 2004 – June, 25 2004

Egmont Plenary XI Sydney, Australia:
July, 23 2003 – July, 25 2003

Egmont Plenary X Monte Carlo, Monaco:
June, 4 2002 – June, 7 2002

Egmont Plenary IX The Hague, The Netherlands:
June, 13 2001 – June, 15 2001

Egmont Plenary VIII Panama City, Panama:
May, 16 2000 – May, 18 2000

Egmont Plenary VII Bratislava, Slovakia:
May, 27 1999 – May, 28 1999

Egmont Plenary VI Buenos Aires, Argentina:
June, 30 1998 – July, 1 1998

Egmont Plenary V Madrid, Spain:
June, 23 1997 – June, 24 1997

Egmont Plenary IV Rome, Italy:
November, 21 1996 – November, 22 1996

Egmont Plenary III San Francisco, USA:
April, 22 1996 – April, 23 1996

Egmont Plenary II Paris, France:
November, 30 1995 – November, 30 1995

Egmont Plenary I Brussels, Belgium:
June, 9 1995 – June, 9 1995

GLOSSARY OF TERMS

AML

Anti-Money Laundering

ARIS

Asset Recovery Intelligence System

APG

Asia/Pacific Group on Money Laundering

BCBS

Basel Committee on Banking Supervision

CFT

Combating Financing of Terrorism

CFATF

Caribbean Financial Action Task Force

DNFBP

Designated Non-Financial Business and Profession

DPCG

Donors and Providers Contact Group

EC

Egmont Committee

EG

Egmont Group

FATF

Financial Action Task Force

FIA

Financial Intelligence Agency

FIU

Financial Intelligence Unit

FRG

Finance Reference Group

FSRB

FATF Style Regional Bodies

EAG

Eurasian Group on Combating Money Laundering and Financing of Terrorism

EGS

Egmont Group Secretariat

ESW

Egmont Secure Website (access only to Egmont Group members)

ESAAMLG

Eastern and Southern Africa Anti-Money Laundering Group

GAFISUD

Grupo de Acción Financiera de Sudamérica (South American Financial Action Task Force)

GIABA

Groupe Inter-gouvernemental d'Action contre le Blanchiment de l'Argent en Afrique de l'Ouest (Intergovernmental Task Force against Money Laundering in West Africa)

GOPAC

Global Organization of Parliamentarians against Corruption

HoFIU

Heads of Financial Intelligence Units

ICAR

International Center for Asset Recovery

IMF

International Monetary Fund

ITWG

Information Technology Working Group

LWG

Legal Working Group

MENAFATF

Middle East and North Africa Financial Action Task Force

ML

Money Laundering

MOU

Memorandum of Understanding

NPO

Not-for-profit Organization

OWG

Outreach Working Group

OpWG

Operational Working Group

PAS

Permanent Administrative Support

PEP

Politically Exposed Person

STR

Suspicious Transactions Report

SAR

Suspicious Activity Report

TA&T

Technical Assistance and Training

TF

Terrorism Financing

TWG

Training Working Group

UIAF

Financial Intelligence & Analysis (Spanish abbreviation)

UIF

Financial Intelligent Unit (Spanish abbreviation)

UNODC

United Nations Office on Drugs and Crime

WGEI

Working Group on Evaluation and Implementation

APG

Asia/Pacific Group on Money Laundering

WB

World Bank

ASSOCIATED WEBSITES

Egmont Group

www.egmontgroup.org

APG

www.apgml.org

CFATF

www.cfatf.org

CTED

www.un.org/sc/ctc/cted.shtml

FATF

www.fatf-gafi.org

FIU.NET

www.fiu.net

GAFISUD

www.gafisud.org

MONEYVAL

www.coe.int/t/dghl/monitoring/moneyval

ESAAMLG

www.esaamlg.org

EAG

www.eurasiangroup.org

GIABA

www.giaba-westafrica.org

BCBS

www.bis.org

IAIS

www.iaisweb.org

IMF

www.imf.org

INTERPOL

www.interpol.int

UNODC-GPML

www.unodc.org

MENAFATF

www.menafatf.org

INTOSAI

www.intosai.org

WB

www.worldbank.org





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