



EUROPEAN COMMISSION

Internal Market and Services DG

FREE MOVEMENT OF CAPITAL, COMPANY LAW AND CORPORATE GOVERNANCE

Brussels, 20 February 2008

**14th meeting of the Committee on the Prevention of Money Laundering and Terrorist Financing**

**Brussels, 19 February 2008**

**SUMMARY RECORD**

**1. ADOPTION OF THE AGENDA AND MINUTES**

The agenda and minutes were adopted without modifications.

**2. MEMBER STATES IMPLEMENTATION OF THE 3<sup>RD</sup> AML DIRECTIVE**

11 Member States (DK, BU, CZ, EE, IT, CY, LT, HU, AT, RO and the UK) have formally notified national transposition measures to the Third Money Laundering Directive (deadline for transposition: 15 December 2007). A *tour de table* showed that a majority of the remaining Member States would be following within the next few months or just before the summer.

**3. THIRD COUNTRIES EQUIVALENCE UNDER RELEVANT ARTICLES OF THE THIRD AML DIRECTIVE**

The discussion continued on a possible common European list of equivalent 3rd countries under relevant provisions of the Third Anti-Money Laundering Directive. Although at this stage not conclusive, the discussion was constructive and helpful.

**4. FATF PREPARATION AND COORDINATION IN RELATION WITH THE FATF MEETING ON 25 – 29 FEBRUARY IN PARIS:**

**(1) EU implementation of SR VII and SR IX**

The Chairman recalled that the Financial Action Task Force (FATF) has challenged the EU implementation of Special Recommendations VII (wire transfers) and IX (cash control at borders), which are both based on the concept of the EU as "one jurisdiction". This issue will be addressed by the FATF Working Group on Money Laundering and Terrorist Financing in February 2008. The objective of the discussion within the Committee was to obtain Member States support for the Commission's approach in relation to a number of issues raised by members of the FATF ahead of the discussions in the FATF next week. The Commission delegation to the FATF will next week explain how the EU works and reply to the issues raised by FATF members.

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**(2) Northern part of Cyprus.**

The European Commission acting as an honest broker handed over to the authorities in the northern part of Cyprus on 11 July 2007 the FATF Report on "Anti-money Laundering/Combating the Financing of terrorism in the northern part of Cyprus. The Commission debriefed on the ongoing activities in relation with the northern part of Cyprus.

**(3) Nuclear Proliferation Finance**

Delegations were invited to exchange information on which initiatives they had taken following the FATF press release and guidance note in relation to financial transactions with Iran (October 2007). A *tour de table* confirmed that all Member States had issued either a circular or another form of instruction drawing the attention of their financial institutions on the need to adopt enhance due diligence when trading with Iran.

**(4) Trade Based Money Laundering**

Delegations were invited to exchange views and, if possible, reach a common position on this matter. The discussion confirmed that delegations were reluctant at this stage to consider any new standard in this area and that any FATF initiative should be built on existing mechanisms.

**(5) April Ministerial meeting.**

With a view to enhancing the accountability of the Financial Task Force, the UK FATF Presidency, informed the Committee that the 2008 FATF Ministerial meeting is scheduled to take place on 12 April in the margins of the IMF/World Bank Annual Meeting. Further information about the agenda of this meeting will be given in the coming weeks.

**5. DEBRIEFINGS/ ONGOING ACTIVITIES**

Debriefings were provided on the following issues:

- (1) Work of the EU – FIU Platform
- (2) FIU-NET
- (3) Report on the Council Decision 2000/642/JHA on FIU cooperation
- (4) Work of the CEBS - 3L3 AML Task Force
- (5) Work of the Crime Statistics Subgroup on Money Laundering
- (6) Study assessing financial crime, incl. terrorist financing in the non-profit sector
- (7) Private sector outreach

**6. NEXT MEETING**

The next meeting of the Committee is scheduled to take place on 17 April 2008.