



Brussels, 9 October 2009

*SUMMARY MINUTES*

**22nd meeting of the Committee on the Prevention of Money Laundering  
and Terrorist Financing  
Monday, 5 October 2009**

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

The agenda was adopted with one addition. The minutes were adopted without modifications.

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

**(1) Update from the non-compliant Member States on the transposition of the 3<sup>rd</sup> Anti-Money laundering Directive.**

**IE** informed that the Bill will be transmitted to the Parliament late October – beginning of November 2009. **ES** provided no indication was given as to the likely calendar for adoption of the law. **BE** that publication was scheduled to take place before mid November. In **PL** was expected to be notified by 9 October 2009. **FR** indicated that the latest decrees needed for a full.

**(2) Update on implementation of Article 17 of Regulation 1781/2006 – France, Denmark.**

*The Faroe Islands and Greenland*

DK informed the Committee about the implementation of Article 17 of Regulation 1781/2006 in Greenland and the Faroe Islands.

*Monaco*

COM had received all necessary documents to assess whether Monaco met the conditions set by Article 17 of Regulation 1781/2006.

*The French overseas territories*

The draft Commission decision regarding the granting of the benefit of the Article 17 derogation to wire transfers between France and the French overseas territories has been addressed to the European Parliament.

### **3. FATF PREPARATION AND COORDINATION AHEAD OF FATF PLENARY MEETING IN PARIS ON 12 -16 OCTOBER 2009**

#### **(1) FATF Reply to G20 on the Financial Crisis.**

The Chairman recalled that the FATF in September reported to G20 Finance Ministers on its work regarding, in particular, non-cooperative jurisdictions and high risk jurisdictions. The Dutch delegation, which currently is occupying the FATF presidency, recalled that the progress report to the G20 Ministers identifies 4 areas of particular importance for the work of the FATF: international cooperation issues, issues of transparency, global compliance issues and trends and risks following the financial crisis.

#### **(2) FATF Special Recommendation (SR) IX on cash controls at borders.**

- *Presentation on the EU Community implementation of SR*

The Commission services explained that COM had contributed a paper for the ad hoc WGTM session on SR IX best practices on 12 October.

- *Practical guidelines for assessors for the assessment of the EU*

The Chairman recalled that the objective for the October FATF meeting was relatively modest: to set a rendez-vous in February for a proper discussion of the amendments of the FATF Handbook for Assessors at the WGEI for a validation at the Plenary of that date. The Chair added that COM would examine the possibility to hold a CPMLTF in the first two weeks of December. This meeting would be used for part to further prepare the FATF February discussions.

#### **(3) ICRG Process**

- a) ICRG Europe/Eurasia Regional Review Group meeting on 17-18 September 09

The Commission services referred delegations to its written debriefing circulated ahead of the CPMLTF meeting and informed about the situation concerning EU jurisdictions which had been referred to the "pool of jurisdictions for prima facie analysis".

- b) Tax amnesty laws – Turkey, Italy

The Commission services explained briefly the recent developments of the recently re-introduced Turkish tax amnesty law and its implications for the Turkish AML/CFT system. Then, IT was invited to describe the situation concerning its tax amnesty scheme adopted on 2 October.

#### **(4) AML/CFT developments in Greece in the context of the 6<sup>th</sup> Follow-up report at the Oct 09 FATF Plenary**

The Committee was informed about the progress of as described in its 6th Follow-up report to the October 2009 FATF Plenary (WGEI) meeting.

**(5) Proliferation finance**

The Commission services recalled that under the leadership of the US, proliferation financing has become a prominent issue on the FATF agenda, with a view to better implement United Nations Security Council Resolution 1540 on the prevention of nuclear proliferation (and its financing). At this stage, the Project Team will be looking for guidance from the FATF working group on Terrorist Financing and Money Laundering (WGTM) on how to make progress on a number of important issues.

**(6) Preparation of the FATF 4<sup>th</sup> round of evaluations**

The Commission services recalled that the WGEI intends to create two working groups dealing with: (i) recommendations 35-40 on international cooperation as well as tax crimes as predicate offences; and (ii) recommendations 5 (CDD), 9 (third party introduction); 33/34 (transparency of legal entities and legal arrangements) as well as the risk-based approach. In the absence of the FATF paper on this point, there was no discussion on substance.

**(7) A possible common EU approach to counter measures against Iran**

The Commission services explained the current state of play and that according to the positions expressed by MS, no minimum common approach could be detected at this stage. Nevertheless, some MS pleaded for further work in this respect, notably with regard to the monitoring of correspondent banking relations.

**(8) Cover Payments**

The Commission services explained that this issue will be the subject to a substantial discussion for the first time within the FATF at the October meeting. The Commission services considered the paper of the FATF jumped too quickly to conclusions. Some delegations supported COM's view. The view was also expressed that the FATF should be neutral regarding technology/private standards and should be careful not to be seen as giving public support to a private company.

**(9) Typologies**

The Commission services explained that the FATF draft typologies report on securities have been recently circulated for its approval at the October meeting. The Commission services have joined the project team dealing with internet gambling.

<b>4. EU-US NEGOTIATIONS ON ACCESS TO SWIFT DATA</b>
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The Commission services provided background information on this issue. A representative from the Swedish presidency explained that the Commission presented in June 2009 a draft mandate for launching negotiations with the US on the transfer of data stored in the European server of SWIFT to the US for its exploitation under the TFTP programme. The Council adopted this mandate on 27 July 2009. The mandate foresees a reciprocity commitment so that the US would share relevant data with the EU Member States. Negotiations with the US authorities are still on going.

## **5. ISSUES FOR FURTHER DISCUSSIONS**

The Committee members agreed on issues for discussion at a future meeting, namely conclusions of the Commission staff working paper on Compliance with the anti-money laundering directive by cross-border banking groups at group level of 30.6.2009; and lessons from the reports on the external studies on Evaluation of the economic impact of the FSAP; and Survey on the cost of compliance with selected FSAP measures.

## **6. DEBRIEFINGS/UPDATES**

The Committee was debriefed on the following issues:

- **Progress on the exchange of information and cooperation between FIUs (including FIU-NET) - EU-FIU Platform meeting on 17 June 2009**
- **Update on ML statistics**
- **3L3 AMLTF meeting on 2 September**
- **European Supervisory Architecture**
- **FATF Plenary meeting on 22 – 26 June 09**
- **FATF consultative Forum with private sector representatives on 30 September 09**
- **MONEYVAL 30th plenary meeting 21 - 24 September 09**
- **Report on the application of the 3<sup>rd</sup> AML Directive – update on calendar**

<h2><b>7. ANY OTHER BUSINESS</b></h2>
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### **Data protection and the 3<sup>rd</sup> AML directive**

Upon request of one delegation the Commission services explained that the Article 29 Working Party has initiated work in order to examine the interaction between the AML rules and the data protection rules.

### **Simplified CDD in relation to financial institutions from 3<sup>rd</sup> countries**

A question was asked as to whether other Member States had carried out a risk evaluation of the third countries whose banks benefit from simplified CDD.

<h2><b>8. CLOSING REMARKS AND NEXT MEETING</b></h2>
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The next meeting of the CPMLTF is scheduled to take place in December 2009 (date to be confirmed).