



## EUROPEAN UNION

### OSCE First Preparatory Meeting of the 20th Economic and Environmental Forum Vienna, 6 February 2012

#### EU Statement

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1. The European Union is pleased to participate in the first Preparatory Meeting of the 20th OSCE Economic and Environmental Forum.
2. We welcome the topic of Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) that fits well into the wider focus of this year's EEF to promote security and stability through good governance. Abuse of the financial system by criminals to launder the proceeds of illegal activities or to fund terrorist activities represents a clear threat to market integrity and security in general. The increasing ingenuity of criminals to adapt to new market developments requires that international standards and cooperation evolve to stand up to new threats and the current AML/CFT regimes are effectively implemented.
3. The EU policy on AML/CFT has been influenced by relevant Financial Action Task Force (FATF), UN and Council of Europe instruments and is pursued as a matter of strategic security importance.
4. The keystone of the EU policy remains the Directive 2005/60/EC on the prevention of the use of the financial system for the purpose of money

laundering and terrorist financing (3<sup>rd</sup> AML/CFT Directive) that entered into force in 2005 and has been transposed into national law of all EU Member States. The Commission will publish soon its report on application of the Directive. In light of that report and also the current process undertaken by the FATF to revise its standards the Commission is preparing a possible revision of the Directive. One specific aspect to look at in the course of the revision is greater transparency of legal persons and legal arrangements.

5. The 3<sup>rd</sup> AML/CFT Directive is complemented by Regulation (EC) No 1889/2005 on controls of cash entering or leaving the EU (Cash Control Regulation). Another relevant legislation in force is Council Decision 2007/845/JHA that required Member States to set up National Asset Recovery Offices which would promote the fastest possible EU-wide tracing of assets derived from crime, including terrorism. National Recovery Offices meet now regularly within the informal Platform in order to ensure effective coordination, cooperation and exchange of information. In addition it is worth mentioning "the Payment Services" (2007) and "the Electronic Money" (2009) Directives that are in place to cope with new developments in the financial field.
6. Improving the possibilities of cooperation between Member States' Financial Intelligence Units (FIUs) continues to be a crucial factor in fighting money laundering and terrorist financing. The operational cooperation and exchange of information among EU FIUs has been reinforced by the FIU.net project that aims at establishing a secure computer network for the exchange of financial intelligence. Valuable cooperation is also carried out in the informal FIU Platform which meets regularly in Brussels and is chaired by the Commission.
7. The role of the financial sector in AML/CFT is important and information on suspicious or unusual transactions needs to be exchanged without

unnecessary obstacles between all relevant partners. Therefore, cooperation with the private sector continues to be of key importance and its involvement in the development of new legislation and operational methods needs to be continuously ensured. The Commission interacts with the private sector in order to improve feedback.

8. The EU pays attention to international cooperation in the area of AML/CFT and continues to promote ratification and implementation of the relevant international legal instruments. Countering terrorist financing is regularly on the agenda of bilateral meetings with key strategic partners. We hope that the targeted discussions on AML/CFT issues in the OSCE context will raise awareness and contribute to intensifying the engagement in effective implementation and use of AML/CFT regimes.
9. We would like to thank the Irish Chairmanship and the OSCE Co-ordinator for Economic and Environmental Activities and his staff in preparing this first meeting of the Economic and Environmental Forum. We look forward to interesting discussions in the days ahead.

The acceding country CROATIA, the candidate countries THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA, MONTENEGRO and ICELAND, the countries of the Stabilisation and Association Process and potential candidate countries ALBANIA, BOSNIA AND HERZEGOVINA and SERBIA align themselves with this statement.