

**20<sup>th</sup> OSCE ECONOMIC AND ENVIRONMENTAL FORUM**

**“Promoting Security and Stability through Good Governance”**

**FIRST PREPARATORY MEETING**

**Anti-Money Laundering and Countering the Financing of Terrorism**

**Vienna, 6-7 February 2012**

**Opening Remarks**

**by Mr. Goran Svilanovic**

**Co-ordinator of OSCE Economic and Environmental Activities**

Your Excellencies,  
Distinguished participants,

I would like to join Minister Hayes and the Secretary General in welcoming you to this First Preparatory Meeting of the 20<sup>th</sup> OSCE Economic and Environmental Forum. To everyone here, I would like to thank you for gathering for the Forum's first phase which is devoted to anti-money laundering and countering the financing of terrorism.

As the Secretary General noted during his speech, eleven years ago in Bucharest the Ministries of the OSCE participating States acknowledged that money laundering, the financing of terrorism and, importantly, the close connection between the two, pose grave threats to our individual and collective security. Since Bucharest, the participating States have provided the OSCE with several mandates in Ministerial Council and Permanent Council decisions to tackle money laundering and the financing for terrorism, and these mandates have resulted in a number of AML/CFT successes in the OSCE region, several of which will be discussed during today's and tomorrow's sessions.

I would like to take this opportunity to commend the Irish Chairmanship for providing continuity to our work in the fight against money laundering and the financing of terrorism by putting our commitments in these areas on the top of the agenda for 2012.

This decision by the Irish Chairmanship is timely and opportune for several reasons.

First, criminals are taking advantage of the economic downturn in the OSCE region by purchasing real estate and businesses at a low cost. This in turn allows crime to pay and enhances criminals' influence in our societies and economies.

Second, nearly all of the OSCE participating States now have legislation and specialized agencies in place to counter money laundering and the financing of terrorism. As this phase is largely complete, now is an appropriate time to consider how States can more effectively and more efficiently use these tools.

Third, the Financial Action Task Force, which is the key standard-setter for policy on combating money laundering and the financing of terrorism, is in the process of reviewing its recommendations. The resulting changes will require some adjustments by all of the OSCE participating States.

Dear participants,

A number of organizations play a role in the global effort to prevent and suppress money laundering and the financing of terrorism. The Financial Action Task Force sets the global standard. The Eurasian Group on Combating Money Laundering and Financing of Terrorism, together with MONEYVAL, work with the OSCE participating States to assess their members against those standards. The Egmont Group of Financial Intelligence Units provides a platform for co-operation, capacity building and information exchange between financial intelligence units. The International Monetary Fund and World Bank provide technical assistance. And the United Nations provides an international legal framework and technical assistance for tackling organized crime, money laundering and the financing of terrorism.

The OSCE also has a role to play in leveraging the political will of its participating States and the added value of its field presences. At the political level, the OSCE can throw additional weight behind established initiatives and standards. In the past, this support has taken the form of MC and PC Decisions calling upon the OSCE participating States to swiftly implement the Financial Action Task Force's recommendations.

At the technical level, the OSCE has played a catalytic role in bringing technical expertise to participating States that request it. Often in close collaboration with the partner organizations represented here, my office and the OSCE field presences have responded to participating State requests for training, exchange of experience, platforms for regional dialogue and capacity building in the fight against money laundering and the financing of terrorism. Building on the close relationship with their host governments, the OSCE field presences are often in a unique position to respond to national requests in this area and I am pleased to note that some of the resulting activities will be presented during this 1<sup>st</sup> Preparatory Meeting by the field presences and host countries involved.

I would like to take advantage of this opportunity to mention some of the latest activities the OSCE has carried on AML/CFT:

In July 2011, in Yerevan, on the margins of the Plenary of the Egmont Group of Financial Intelligence Units, the OCEEA organized a joint "FIU Development

Workshop” which gathered representatives from the five Central Asian participating States to exchange experiences and lessons learned.

In September 2011, in Kyiv, OCEEA and SPMU supported a Regional Seminar on Seizing and Recovering the Illegal Proceeds of Drugs and Crime.

In 2011, OCEEA, ATU and UNODC organized in Kyiv, Chisinau and Bucharest a series of three Sub-regional Workshops on Preventing and Countering the Financing of Terrorism.

In October 2011, in Vienna, the OSCE (OCEEA, OHR/CTHB and SPMU) and UNODC organized an “Expert Seminar on Leveraging Anti-Money Laundering Regimes to Combat Human Trafficking”.

Ladies and Gentlemen,

This First Preparatory Meeting must be understood as an opportunity to learn from others and to identify weaknesses and gaps in our work. However, the Forum process should not be reduced to a collective brainstorming exercise. We should be ambitious and avoid translating our discussion into a compilation of best practices and failures. Our aim should be to use this exchange of information to better define the OSCE’s goals and strategies in this field. I have already mentioned the important role played by our partner organizations, and I would also like to bring your attention to the representatives of NGOs, academia, investigative journalism and the private sector present in this room. I warmly welcome this civil society engagement in the Forum process and I look forward to the recommendations that will stem from these discussions.

Ladies and Gentlemen,

This First Preparatory Meeting is divided into six sessions aimed at increasing our effectiveness in the fields of anti-money laundering and countering the financing of terrorism. We have an opportunity today and tomorrow to examine these areas from both a technical and political perspective and to inform the OSCE’s work in 2012 and beyond.

This is an ambitious goal, but I am confident that with your inputs and ideas we will come a long way. I look forward to dynamic and fruitful discussions both from the podium and the floor.

Thank you