



**Organization for Security and Co-operation in Europe**

## **Opening Remarks**

**Secretary General Lamberto Zannier**

### **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

Minister Hayes,  
Excellencies,  
Distinguished Participants,

I warmly welcome all of you to Vienna for this First Preparatory Meeting of the 20<sup>th</sup> OSCE Economic and Environmental Forum. I am pleased to see so many representatives of the OSCE participating States, Partners for Co-operation, and various international, regional and non-governmental organizations, as well as experts from academia and the private sector.

This preparatory conference is the first building block of the Economic and Environmental Forum, the OSCE’s main annual event in the economic and environmental dimension. This year’s Forum will focus on the Irish Chairmanship’s priority of promoting security and stability through good governance. This first preparatory meeting will address a key component of good governance: efforts to combat money laundering and the financing of terrorism.

In addressing this topic, I encourage you to think beyond the boundaries of the economic and environmental dimension, taking into account the OSCE’s comprehensive concept of security, and in particular our Organization’s efforts to address transnational threats.

This approach is not new to the OSCE. The 2003 *OSCE Strategy to Address Threats to Security and Stability in the Twenty-First Century*, adopted at the Maastricht Ministerial Council, noted that economic factors, including “weak governance in public and corporate spheres” and corruption “provide a breeding ground for other major threats”.

At their last meeting in Vilnius, OSCE foreign ministers adopted MC Decision 9/11 *on Strengthening Co-ordination and Coherence in the OSCE’s efforts to address Transnational Threats*. The decision tasked me as Secretary General, acting as a focal point for Organization-wide programmatic activities that relate to countering transnational threats, to ensure co-ordination and coherence of action across **all three OSCE dimensions**. Within the Secretariat, the establishment of the new TNT Department constitutes an important first step toward an integrated and cross-dimensional OSCE response to transnational threats to security.

Excellencies,

Ladies and Gentlemen,

The investment of laundered proceeds of crime or corruption in criminal business enterprises increases criminality, undercuts legitimate businesses, and reduces taxes paid to governments, placing criminals in a position of power. It also provides a significant source of financing of terrorism.

While these are not new phenomena, the cross-border operations of terrorist groups and organized criminal networks, and the linkages between such groups, have intensified significantly in recent years.

To meet this challenge, the response of the international community must be robust and multi-faceted. More work remains to be done.

In the 1999 Istanbul Document, the OSCE participating States adopted commitments aimed at preventing and suppressing the financing of terrorism. Since then, in 2001, 2002 and 2003, the OSCE mandate on anti money-laundering and countering the financing of terrorism has been further developed through other OSCE Ministerial Decisions in Bucharest, Porto and

Maastricht as well as Permanent Council decisions. *Inter alia*, these documents call on participating States to implement and enforce financial legislation and regulations on combating money laundering and corruption and criminalizing the financing of terrorism, to take steps towards speedy implementation of the Financial Action Task Force's (FATF) Recommendations, and ask the executive structures to work together with partner organizations such as the UNODC to promote the organization of workshops on tackling money-laundering.

The OSCE's implementation of these mandates has been twofold. We have sought to promote the implementation of recognized international standards, such as the above mentioned FATF recommendations, taking advantage of the Organization's broad regional scope.

We have also worked, through the efforts of the Co-ordinator of OSCE Economic and Environmental Activities and our field operations, to strengthen national capacities to counter the financing of terrorism and to prevent and suppress money laundering. Over the past decade, the OSCE has conducted targeted projects to raise awareness of this issue, to assist in harmonizing national legislation with international commitments, to facilitate the exchange of best practices, and to provide training and materials throughout the OSCE area. Specific areas in which the OSCE has responded to participating State requests have included interagency and international co-operation, the recovery of criminal assets, and capacity building for national financial intelligence units.

Excellencies,

Ladies and Gentlemen,

In carrying out its work in this area, the OSCE has worked in partnership with other international and regional organizations, taking advantage of our respective comparative advantages. Many of our activities have been conducted together with partners such as UNODC, the Egmont Group, the IMF and the World Bank. In this regard, the OSCE-UNODC commitment to a Joint Plan of Action aimed at strengthening co-operation in tackling transnational threats to security provides an excellent basis for further co-ordinated action.

In this same spirit of co-operation and partnership, the OSCE has been an observer to the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG) since 2006, and an observer to the Council of Europe's Committee of Experts on the Evaluation of Anti-Money Laundering Measures (MONEYVAL) since 2008.

Throughout this year's Forum process, particular attention should be paid to identifying opportunities to increase the effectiveness of such co-operation. To that end, the OSCE invites the important stakeholders represented here today to share their views and to engage in a broad and inclusive dialogue.

In conclusion, I wish to express my gratitude to all the guest speakers and participants for joining us here in Vienna and for agreeing to take an active part in our deliberations. I look forward to our discussions over the next two days, and especially to practical suggestions that may arise to develop further international networks and partnerships in this vital area.

Thank you.