



EU AML / CFT GLOBAL FACILITY

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Newsletter



Esteban Fullin

Executive Secretary
GAFILAT

The world is constantly changing: the digital era has had a favourable impact on financial business, making transactions more agile and convenient, while an endless number of derivative products and services have been developed. The development of blockchain technology is one of the most important changes in terms of security and speed of financial traffic.

All these new developments and their derivatives, like any financial product, also present the opportunity to be abused by criminal organisations. Speed, transactionality and anonymity, especially when coupled with different national regulations, have a direct impact on states' ability to track transfers and to prevent and prosecute potential economic crimes.

Today more than ever, it is necessary to rely on **international cooperation and collaboration, not only in the prosecution of crime, but more importantly in its prevention** and in being able to share knowledge and experience on the vulnerabilities and threats faced by AML/CFT systems.

Latin America experienced exponential growth in financial digitalisation and international collaboration is necessary to understand these new threats and challenges. Based on this, the support and leadership of specialised entities and programmes is key.

The collaboration between the EU Global Facility and GAFILAT has thus become a fundamental pillar to face these new challenges.

Being able to access the real information behind a network of digital financial transactions or behind a broad legal veil that unduly protects criminals who abuse these developments is essential.

[Read more on p.4](#)

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Where we worked

January – March 2023

Mexico

Outreach mission

Jamaica

E-training on asset recovery
E-workshop on FATF Rec 8

Trinidad & Tobago

Scoping mission
2 e-training on Gaming and on Administrative Sanctions Policy

Panama

Onsite training on ML/FT Investigations & Sanctions
Onsite training on BO
E-training on virtual assets national RA

Ecuador

Working visit
E-activity on statistics

Argentina

Regional conference on Rec 8 with GAFILAT/CFATF (Cfr p. 5-6)
Onsite training for NPOs
E-workshop on Sectoral NPO RA
Scoping mission

Spain

Working visit on Media monitoring toolkit

Sweden

Working visit on AML/CFT Moot court project

Turkiye

Two onsite training on NPOs and financial investigations (p.10)

Algeria

Working visit on AML/CFT legislation revision; strategic approach, virtual assets, financial and DNFBPs supervision

Zambia

2 e-workshops on NPO Risk Assessment

Botswana

E-training on Virtual assets RA

South Africa

Onsite training on Beneficial Ownership Operation Model & BO Registries
E-workshop on NPO Sectoral RA

Tanzania

Participation in ESAAMLG Plenary

Mauritius

Participation in the OACPS workshop on Tax Governance, AML/CFT

Mozambique

Training on BO Registries
Two missions to support Technical Assistance Coordination Committee (Cfr p.9)
Mentoring on ICRG process

Online

Webinar on BO Transparency and European Court of Justice

Jordan

Onsite risk assessment dissemination
Workshop for higher instance courts judges on financial investigations

Seychelles

Workshop on Sectoral Risk Assessment (RA)
Review of NPO inherent risk report
2 E-training on Gaming and on Administrative Sanctions Policy

Indonesia

Joint regional workshop on FATF Rec 8

Q&A

continued from p.1...

How can countries in Latin America -and the world- tackle the issue of new technologies in AML/CFT?

The real challenge lies in harnessing new technologies in favour of a safer, more secure and crime-free digital environment. Together with the EU AML/CFT Global Facility, we are working with countries to achieve updated frameworks to access online information on beneficial ownership and a more transparent and fairer system. From Latin American countries, we understand and share the importance of using new technologies to protect societies, and for this, European assistance and collaboration is essential.

When it comes to techniques of money laundering and terrorist financing, organised crime is definitely in constant motion. Organised crime is always looking for new areas to exploit the systems.

In this regard, what we [GAFILAT] do is 1) first, we are in constant contact with our member countries, following up on their evolutions. We organise typology meetings regularly with all our jurisdictions, during which they present their achievements and advances, as well as the new areas that they are seeing are being violated by criminals.

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The collaboration between the EU Global Facility and GAFILAT has become a fundamental pillar to face these new challenges...

How would you describe the GAFILAT's partnership with the EU?

Definitely the support we are receiving at the European Union level and especially from the EU Global Facility, is essential as it allows us to share not only internal experiences within the Latin American region but also to have access to international experts on new topics such as those related to beneficial ownership and everything that basically relates to the transparency of legal entities.

We also get the opportunity to tackle new and modern topics such as money laundering coming from art trafficking [a joint GAFILAT and EU Global Facility regional conference on art trafficking and ML/FT is scheduled to take place in Mexico City in May 2023] to virtual assets. In other words, Latin America needs a lot of the knowledge not only about what its own countries are doing but also about the implementation of solutions to combat the new threats abroad.

Esteban Fullin
Executive Secretary
GAFILAT



Argentina

Representatives from 17 countries of the Caribbean and Latin America convened to Buenos Aires, Argentina, on 20 March 2023, where they attended two regional events centered on the fight against terrorist financing in the NPO Sector. This also marked the launch of a series of Regional Consultations on the revisions of the Best Practices Paper on Financial Action Task Force (FATF) Recommendation 8.

Organised by the EU Global Facility on AML/CFT in close cooperation with the Global NPO Coalition on FATF, the two events opened by Agustín Carrara, national AML/CFT Coordinator for Argentina, Juan Carlos Otero, President of the country's FIU and EU Global Facility Team Leader David Hotte, the activity also witnessed the attendance of Esteban Fullin, Executive Secretary of GAFILAT and Avelon Perry, from the Caribbean Financial Action Task Force (CFATF).

The EU Global Facility, in co-operation with the Global NPO Coalition on FATF, organised two regional events in Argentina in March 2023.

(i) First, it gathered representatives from GAFILAT and CFATF member jurisdictions, who participated in a **Regional Workshop on the fight against Terrorist Financing Risks in the NPO Sector**.

(ii) Then, on March 21st, the EU Global Facility and the International Center for Not-for-Profit Law (ICNL) brought together NPOs from the two regions, in partnership with Global Expert Hub on AML/CFT members Miguel de la Vega and Gabriela Pellón. Over a dozen leading experts from Latin America and the Caribbean took part in the discussions, which revolved around the revisions of the **Best Practices Paper on Financial Action Task Force (FATF) Recommendation 8**.

This was the first in a series of 5 regional NPO consultations around the world, with sessions scheduled to take place in Warsaw (MONEYVAL region), Amman (MENAFATF region), Cape-Town (ESAAMLG, GABAC and GIABA regions) and South-East Asia (APG region).

Photos



[\(click to view online\)](#)

Video Gallery



Wrap up of the event and interviews of experts
(click on each to watch)

1st

iteration in a series of

5

Regional Consultations

on Best Practices Paper of FATF Recommendation 8

17

Caribbean and Latin American countries

In Their Words

“

For people in Brazil it is very important to be part of this conference and build something collective with respect to a position of the region. We understand that it is very important to listen to experiences from other countries because we have very similar political scenarios and we can share our experiences but also here from partner organisations that are here.

Carla Vreche
Brazil

“

The hopeful emphasis on NPO sector participation in these consultations will result in the dissemination of best practices and the determination of the type of interventions that need to happen. These consultations are really showing how we can all play a particular role in showing that the critical work that NGOs do is respected.

Collaboration between the EU Global Facility and Trinidad and Tobago will help emphasise the role that NGOs need to play in any sort of collaboration, data gathering and/or setting up of a baseline.

Omar H. Mohammed
Trinidad and Tobago



Participants in the regional workshop and consultation shared their experiences with terrorist financing and other-related risks in the NPO sector © 2023/EU Global Facility

Also in Latin America...

Over the last three months, the EU Global Facility has greatly expanded its geographical scope, with a notable enlargement towards Latin America. Started in October 2021 with a scoping mission in Panama, this expansion marks a remarkable milestone in the project's development, with highly promising initial endeavours in Argentina, Colombia, Ecuador, Uruguay and Paraguay.

Colombia In March 2023, the EU Global Facility also kicked off its very first technical assistance activity in Colombia, with an onsite workshop held in the capital of Bogotá.

Centered on the topic of **Beneficial Ownership**, the three-day event included peer-to-peer exchanges of experience between the Colombian tax authorities (Dirección de Impuestos y Aduanas Nacionales - DIAN) and several European Beneficial Ownership registers. This formed the basis of ensuing discussions of the specific features and mechanisms through which BO information can be registered, vetted and enforced.

Adriana del Pilar Solano Cantor, Deputy Director of the Tax Registry Administration in Colombia, stated: *“This workshop will enable Colombia to identify good practices for the deployment of such BO registries, the existing opportunities for improvement of the regulatory framework and IT system in Colombia and the development of new features in the registry such as the registration of the chain of ownership and control. Similarly, this exchange of experience will also serve to identify areas of improvement in the technical framework”*.

Paraguay In parallel to its mission to Argentina, the EU Global Facility team also conducted a scoping mission to Asunción, where it met with the relevant local authorities to discuss the future implementation of technical assistance activities.



Accompanied by the EU Ambassador to Paraguay, Javier García de Viedma, the EU GF delegation began its visit at the Attorney General's Office, where the Minister of the Secretariat for the Prevention of Money Laundering (SEPRELAD), René Fernández Bobadilla and Deputy Minister Carmen María Pereira Bogado, welcomed them. There, the discussions revolved around the the **key priority actions identified in the Mutual Evaluation Report of the Republic of Paraguay approved in 2022 by the GAFILAT**.

Later on, the experts met with the First Vice President, Carolina Llanes, and Justices Luis María Benítez Riera and Alberto Martínez Simón at the Supreme Court of Justice.

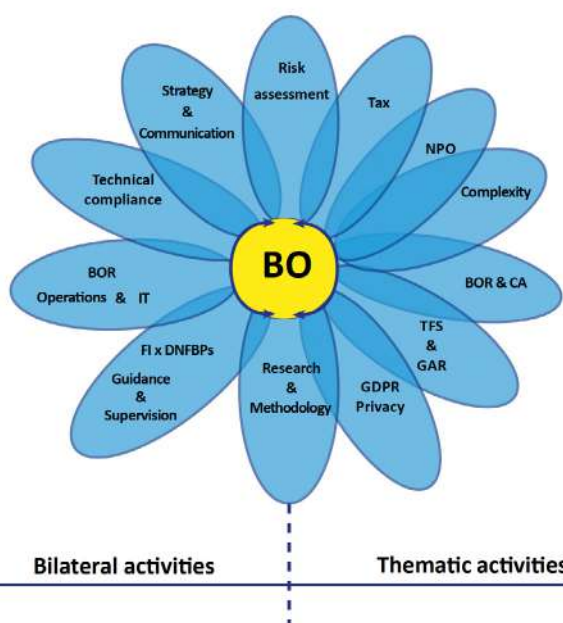


The group met with representatives of the law enforcement agencies in charge of investigating financial crimes - **SENAD, SENAC, the Police, Customs and SEPRINTE**-. On the last day, a meeting with **specialised judges and prosecutors** was held, where they discussed the structural improvements needed to improve the systems of investigation, prosecution and conviction of AML/CFT crimes.

Publications

Over the past few months, the EU Global Facility started to publish a number of articles, surveys and strategies on its current and upcoming work. They cover topics as diverse as Custodial Investigations, Social Finance and Beneficial Ownership Complex Ownership Structures.

The EU Global Facility's Strategy on Beneficial Ownership



This strategy guides the work of the EU Global Facility in providing support to partner countries to establish beneficial ownership disclosure frameworks in three complementary ways.

In the present strategy, you will find a summary of the context in which beneficial ownership has developed to become a central part of AML/CFT (section 2), the approach taken by the EU and the EU Global Facility to support the development of effective beneficial ownership disclosure frameworks in partner jurisdictions (section 3) and an outline of options and activities that are on offer to partners from the EU Global Facility (sections 4 and 5).

[Read the strategy](#)

Social Finance Institutions

The article explores the different forms of social finance, identifying a sector notable for its diversity and complexity. It examines the range of regulatory responses to the sector, and the specific challenges faced by global standard setters such as the FATF as they seek to protect financial integrity and encourage financial inclusion. [Read the article](#)

Custodial Financial Investigations



This survey was elaborated to explore the three primary questions set by the EU Global Facility with regards to illicit finance in the custodial domain, namely:

- How does the EU Global Facility identify the problem?
- How do we, as a Global Facility, provide solutions to our partner countries, to meet the problem?
- What training will support those solutions?

[Read the survey](#)

Mozambique

Creation of Technical Assistance Coordination Committee on AML/CFT

In January 2023, the EU Global Facility joined forces with a number of technical assistance providers such as the International Monetary Fund, the UN Office on Drugs and Crime and the World Bank –among others– to launch the implementation of the Technical Assistance Coordination Committee (TACC) on anti-money laundering and counter-terrorist financing in Mozambique.

This official kick-off, which took place in the premises of the European Union Delegation in Maputo, followed last year's decision by the Financial Activities Task Force (FATF/GAFI) to include Mozambique in the list of jurisdictions under increased monitoring, known as the "grey list". It has since been followed by a number of coordination meetings, and the launch of several technical assistance activities.

An executive coordination committee led by Minister of Economy and Finance, Max Tonela, was previously created by Mozambique Prime Minister Adriano Maleiane to oversee the work being done by the various branches of the Government and international partners to implement the measures indicated by FATF.

Represented by Key Expert on Regulation/FIU Arnaud Stien, the EU Global Facility took an active part in the launch, providing technical and coordination support to the committee. **The TACC will support and coordinate the country's efforts to improve its AML/CFT efforts and rectify the strategic deficiencies in its national regime.**

Speaking on behalf of the international partners at the TACC launch ceremony, the EU Ambassador for Mozambique, Antonino Maggiore, highlighted the direct impact of money laundering and terrorist financing on the incidents taking place in Cabo Delgado, reassuring the partners' commitment to work with the Government towards a timely depart from the list.

Mozambique will be following a strategic implementation structure inspired by the Mauritius model –a model also supported by the EU Global Facility– which tackles actions individually and with the appropriate branches of government.

First activity on "Beneficial Ownership Registers" launched by EU GF

On February 6th, the very first technical assistance activity was inaugurated by the Permanent Secretary of the Ministry of Justice, Constitutional and Religious Affairs, Manuel Malunga, who said that the implementation of ML/TF reforms, recommended by the national strategy, "constitutes a priority for the Government of Mozambique, including strengthening compliance with obligations to prevent the phenomenon in highly vulnerable entities such as banks, insurance companies, real estate, exchange offices, casinos, law offices, and gaming houses, among others."

“Only two weeks after the launch of the TACC, the EU Global Facility is already onsite, delivering concrete and tailored support activities.

David Hotte
EU GF Team Leader



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Turkiye

In January 2023, the EU Global Facility organised two onsite activities targeted at its new partner country, Türkiye. Focusing respectively on Not-for-Profit Organisations and Law Enforcement Agencies, those two workshops are part of a series of technical assistance activities carried out by the EU GF as agreed in the workplan designed with the Turkish authorities in 2022.

In Istanbul, Key Expert on Justice/CSOs Mamuka Jgenti brought together representatives from the civil society coming not only from Istanbul but also from Ankara and other regions of the partner country. Centered around the compliance with international requirements of FATF Recommendation 8 on NPOs, this workshop was co-organised with the local Turkish NPO-TÜSEV and the Global NPO Coalition on FATF.

It involved EU Global Facility experts from the UK, the Netherlands and Georgia, who spent two days covering topics ranging from consequences of the non-risk based implementation of Rec 8, risk assessment, self-regulation and joint advocacy strategies, among others.

This marked the very first onsite capacity building activity with CSO representatives in Türkiye.

A week later, a training was delivered to law enforcement officials in Ankara, under the title “Recognising the nexus between Criminal and Terrorist networks and how they utilise profit from both legal and Illegal Activities”.

The activity involved different actors from the penal chain including MASAK (Financial Intelligence Unit), Police, Gendarmerie and the Judiciary. Topics tackled related to terrorism in the financial context, namely understanding structures of terrorist groups, links between terrorist business models and crime and lone actor terrorism, among others. During the activity participants were tasked with solving a fictitious case study related to terrorism, crime and money laundering in a designated context.



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Coming Up

The months of April, May and June 2023 already promise to be very fruitful for the EU Global Facility, with numerous regional events and bilateral technical assistance activities scheduled across Africa, Asia, Europe and Latin America.

Moldova:

The final meeting of the Constitutional Review Working Group will take place in May to finalise the report to be published

Morocco:

A Regional Conference will tackle the issue of Judicial Cooperation in the MENA region, as a follow-up to Bahrain's March 2022 event.

MENA:

A third iteration of the series of Regional Consultations on the revisions of the BBP on FATF will be organised in Amman for the MENAFATF region in May.

Mexico:

The second iteration of the Regional Conferences on Art Trafficking and ML will be co-organised with GAFILAT in May 2023

South Africa:

Two regional events on (1) BO and (2) Rec 8 will be co-organised with ESAAMLG at the end of May

Seychelles:

The country will undergo the last TA activity before completion of its NPO Sectoral Risk Assessment

Meeting of the Senior Advisory Group

A group of targeted senior experts will convene to Brussels, Belgium for an initial meeting where they will discuss ongoing thematic areas tackled by the EU Global Facility and review potential to explore new AML/CFT technical assistance priorities.

Algeria-Tunisia training on BO

This workshop on the lifecycle implementation of a Beneficial Ownership Registry implementation will bring together representatives from Algeria and Tunisia to Tunis, who will share their experiences with experts from Belgium and Luxembourg.

FATF French-speaking countries training

Co-organised with the FATF, this training will take place in Vienna over the summer. Targeting Francophone countries it will aim to strengthen their understanding of the FATF standards and improve their compliance with said AML/CFT standards.



THE EUROPEAN UNION'S GLOBAL FACILITY ON
ANTI-MONEY LAUNDERING AND
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