



# EU AML / CFT GLOBAL FACILITY

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Newsletter



**Diana Salazar Méndez**  
Attorney-General of Ecuador

It is an honour for Ecuador to be involved in the EU Global Facility-GAFILAT Regional Conference on Art Trafficking and AML/CFT investigations organised with the FIU of Mexico. It is also of utter importance for our country to participate in such events, as they allow for the exchange of experiences and knowledge at the regional level. Together with other countries of Latin America, we discussed the need to address the issue of money laundering related to art and antiquities, which is a relatively new problem in Ecuador.

However, **given Ecuador's rich cultural heritage, we are witnessing new forms of crime involving art and antiquities.** So, while we currently lack well-documented or strong cases to discuss from this perspective, we are aware

that the problem exists. As such, we are very keen on learning about and exploring new investigative approaches to implement in our country.

Ecuador recognises the importance of contributing to investigations in this field and during this conference, we have learned from the experiences shared by other countries like Brazil and Peru. It is crucial for us to participate and hear about those 'lessons learned' in order for us to learn how to best implement policies to combat the issue of money laundering and terrorist financing in our own jurisdiction.

This conference was also the occasion to participate in an event organised by **the EU Global Facility, which has a wealth of specialists** that can help us explore and address these emerging challenges effectively. We need concrete technical assistance in understanding the various methods and techniques employed by organised criminal groups

[Read more on p.4](#)

## IN THIS ISSUE

**Page 2-3**

Three months in review

**Page 5-6**

Art Trafficking and AML/CFT: Third Regional Conference in Mexico



**Page 8**

Regional Conferences: Judicial Cooperation in MENA region, Beneficial Ownership in South Africa and much more

**Page 12**

Virtual Assets: launch of the strategy and roll-out in Mozambique, Botswana, etc

**Page 13**

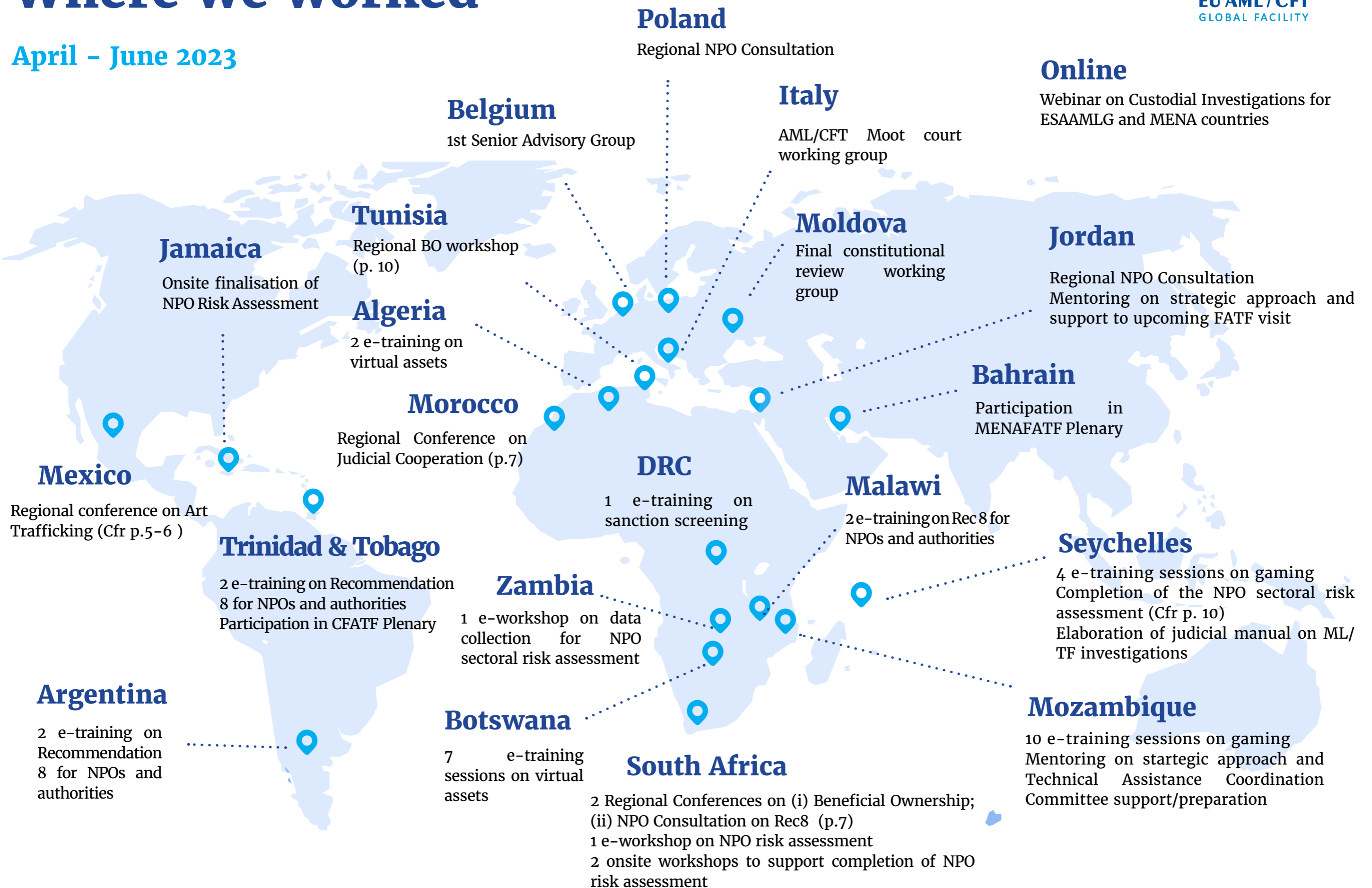
Coming up: our upcoming events

*We would like to express special thanks to Mia Duchemin for her contribution to this newsletter*



# Where we worked

April – June 2023





# Q&A

continued from p.1...

## Why is it important for Ecuador to participate in investigations related to art trafficking and money laundering?

Ecuador recognises the importance of contributing to investigations in this field. During this conference, we have learned from the experiences shared by other countries like Brazil and Peru and their 'lessons learned'. Given Ecuador's rich cultural heritage, we are witnessing new forms of crime involving art and antiquities. While we currently lack well-documented or strong cases to discuss from this perspective, we are aware that the problem exists. Therefore, it is crucial for us to participate and learn how to best implement policies to combat this issue in our own jurisdiction.

“ Given Ecuador's rich cultural heritage, we are witnessing new forms of crime involving art and antiquities...”

## Ecuador recently began receiving technical assistance from the EU Global Facility. How does this support benefit Ecuador in combating money laundering and terrorist financing?

The technical assistance and cooperation we expect to receive from the EU Global Facility will be of great importance to us. As Ecuador is in the process of strengthening its investigative capabilities, we require all the support and assistance available. We aim to enhance our criminal investigations in illicit economies, including in relation to money laundering in the art and antiquities sector.

The collaboration and expertise provided by the broad range of specialists available through the EU Global Facility will help us explore and address these emerging challenges effectively. We need concrete technical assistance in understanding the various methods and techniques employed by organised criminal groups when they conduct their illegal activities. The goal is to develop strategies, policies, and procedures that will help us effectively tackle this issue and protect our economy, our financial stability, and our cultural heritage.

**Diana Salazar Méndez**  
Attorney-General  
Ecuador



Following a scoping mission carried out in February 2023, the EU Global Facility launched its technical assistance activities to Ecuador a month later, in March 2023. Since then, it has delivered two training sessions on the topic of **statistics and Immediate Outcomes 7 and 8**. This is the first time the project delivers activities on this specialised subject, which was officially requested by Ecuador. In light of this successful collaboration, Argentina and Uruguay have already formulated requests for similar training to be implemented in their jurisdiction.

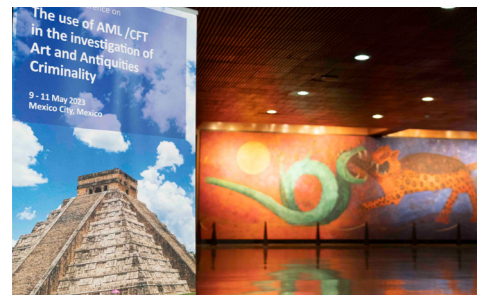


# Art Trafficking

Art and antiquities trafficking continues to plague the world, endangering cultural heritage and fueling illicit activities. Through its series of regional conferences on AML/CFT investigations of art and antiquities criminality, the EU Global Facility is paving the way for a more collaborative approach to these phenomena. Read about our latest event in Mexico.

In May 2023, representatives from 18 Latin American countries gathered in Mexico City for the highly anticipated 2nd Regional Conference on **"The use of AML/CFT in the investigation of Art and Antiquities Criminality"** organised by the EU Global Facility in collaboration with Mexico's Financial Intelligence Unit (FIU) and the Financial Action Task Force for Latin America (GAFILAT).

"We are talking not only about a legal issue, but also about a human rights issue," stated Mexico's Minister of Culture, Alejandra Frausto Guerrero during the opening ceremony held in the iconic Mexico's National Museum of Anthropology. "Culture is based on cultural rights, on the rights to identity, on the rights of those peoples and communities that have historically been plundered by decades of looting, of marginalisation, and are those places where the greatest cultural wealth is preserved," she added.



More than 120 high-level participants from Latin America, the Caribbean, the European Union, and international organisations such as UNESCO, Interpol, and the World Customs Organization took part in this event. During her participation, the Minister emphasised the significance of inter-institutional collaboration in halting the trafficking of heritage assets and expressed her commitment to advancing this crucial objective. She underscored the actions taken by the Mexican government thanks to which **more than 11,500 pieces have returned to Mexico.**

[\(click to see the album\)](#)

Following opening speeches from Pablo Gómez Álvarez, Head of Mexico's FIU, Esteban Fullin, Executive Secretary of the GAFILAT, and Anne Giudicelli, representing the EU Global Facility's implementing agency Expertise France, delegates partook in three days of fruitful exchanges

They attended presentations delivered by international experts in the fields of law enforcement, the art market and archaeology, among others. Concrete case studies allowed them to examine the **routes and methods employed by criminal networks engaged in the looting or theft of antiquities and works of art**

This conference, which is the second in a series of four regional conferences scheduled for 2024, served to foster collaboration between countries and institutions of the region in order for them to exchange knowledge and good practices, in order to develop effective strategies to combat art and antiquities criminality. Through collective efforts, it is hoped that the conference will contribute to preserving cultural heritage, protecting it against money laundering and terrorist financing, and ensuring a brighter future for Latin America's artistic legacy

**2<sup>nd</sup>**  
conference in a  
series of four  
(after Cairo, Egypt)

**120**  
Participants  
from various  
fields

**18**  
Latin American  
countries



Participants in the regional conference pose for a group picture in the iconic Museum of Anthropology of Mexico in May 2023 © 2023/EU Global Facility

## Interested in Art Trafficking?

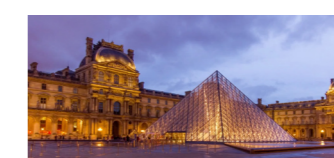


Art and antiquities have been trafficked throughout history. It's always been a valuable asset, something that people desire, and want to obtain. Sometimes you do that in a legal way ... and sometimes you do it illegally.

[...] Traditionally in the art market, you talk about Death, Debt, and Divorce as the reasons why things reappear. And discovering that a particular piece is in someone's hands is exceptionally difficult, which is why the moment when people discover these pieces is often when they're being sold by a dealer or at an auction, after a death or a divorce for example.

**James Ratcliffe**

General counsel and director of recovery at the Art Loss Register (ALR)



Watch those interviews from the conference [\(click to watch\)](#)



# Other Regional Conferences...



EU AML / CFT  
GLOBAL FACILITY

Over the last three months, the EU Global Facility held a series of regional conferences on various AML/CFT-related themes. These conferences have served as vital platforms for fostering dialogue, sharing knowledge, and forging collaborations in various world regions.

## Judicial Cooperation – MENA region

On June 5-7, the second edition of the EU Global Facility's **Regional Conference on Judicial Cooperation in the MENA region** was organised in Rabat, Morocco.

Held under the theme of "**Integrated Approaches to the Investigation and Prosecution of Money Laundering**", this significant event was organised with the Ministry of Justice of Morocco, in collaboration with The Siracusa International Institute for Criminal Justice and Human Rights and the MENAFATF.



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More than **140 participants from 19 MENA countries** gathered to exchange best practices, coordinate strategies, and further enhance the MENA region's capacity to combat financial crimes. They were joined by experts from international organisations like the UN and the IMF, embassies and EU-funded projects.

EU Ambassador to Morocco, Patricia Llobart Cussac, stated: "*To fight crime locally, we have to do it at the regional and international level. The EU –through the EU Global Facility– greatly supports this initiative to increase cooperation by putting together the experiences, the different legislations, and creating trust between the actors so as to build strong networks in the region.*"

| 7

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## Beneficial Ownership – ESAAMLG region

The EU Global Facility also held a **Regional conference on Beneficial Ownership Disclosure Frameworks** in Cape Town, South Africa on 23-25 May 2023. With the participation of over 75 representatives from 18 African countries and nearly 300 online viewers, the conference was a remarkable success.

Dubbed as "very insightful" by a compliance manager at the Ministry of Trade & Industry of Lesotho, the event was commended as a necessary conference by the Director of the Financial Intelligence Center (FIC) of South Africa, Xolisile Khanyile. She said: "*Criminals rely on being able to hide their proceeds and creating distance between themselves and the source of their illicit proceeds. By having timely and accurate information on the beneficial owners of accounts and of property held by corporate vehicles, as well as the source of funds for corporate vehicles, we will be able to better protect the financial system from abuse.*"



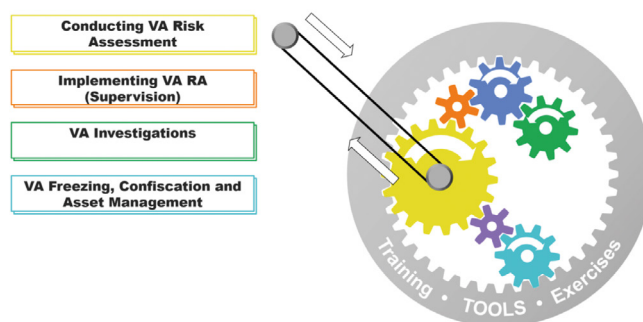
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In a speech delivered on her behalf, EU Ambassador Sandra Kramer expressed the **EU's commitment to fighting financial crimes and promoting transparency in the global financial system**, emphasising collaborative efforts to establish beneficial ownership frameworks and safeguard economies. The conference was co-organised by the EU Global Facility and the FIC, with the support of ESAAMLG.

# Cryptocurrencies

In June 2023, the EU Global Facility released its official strategy titled "Towards a Safer World Using Virtual Assets". It outlines the project's innovative roadmap to foster a secure environment for virtual assets, setting the stage for a more regulated and stable crypto-related landscape.

The strategy encompasses key highlights that address crucial aspects of the cryptocurrency ecosystem. The EU Global Facility delves into the FATF's approach to regulating Virtual Assets (VAs), presenting a thoughtful analysis of the "To Ban or to Regulate" debate. It then focuses on assessing risks associated with VAs and Virtual Asset Service Providers (VASPs), investigating and tracing virtual assets, as well as seizure, confiscation, and asset management.



The EU Global Facility is steadfast in its commitment to supporting partner countries worldwide in adapting to the evolving cryptocurrency landscape while ensuring the safety and stability of the financial ecosystem. Notably, as of June 2023, the project has successfully assisted **Algeria, Argentina, Botswana, Jordan, Morocco, and the UAE** in developing their virtual assets frameworks, bolstering their preparedness in this emerging domain.

Moreover, the EU Global Facility held a highly influential regional conference in December 2022, dedicated to fostering dialogue and collaboration on cryptocurrency-related topics. The conference brought together experts, policymakers, and stakeholders to share insights and best practices ([read more](#)).

## In Practice

### Botswana

Over the past three months, Botswana representatives attended 7 e-training sessions focused on Virtual Assets AML/CFT Risk Assessment. The sessions covered topics such as stock-taking, National Risk Assessment structure, and data collection. They also addressed sectoral questionnaires, compliance with FATF recommendations, features of VAs assets, VASPs' operations, and threat identification. The goal was to enhance understanding of the topics at hand, assess risks, promote compliance, and support Botswana's National Risk Assessment exercise in virtual assets.

### Algeria

Back in 2018, Algeria banned VAs for easier management. However, after attending the EU Global Facility Regional Conference on VAs, Algerian authorities decided to reassess the ban and explore potential opportunities presented by virtual assets. This led to the opening of the first online cryptocurrency activity with Algeria in April 2023. One month later, a two-day workshop was conducted to educate Algerian stakeholders on conducting a National Risk Assessment on virtual assets, covering data collection, analysis, dissemination, and stakeholder involvement.

# NPO Consultations

## FATF Rec 8 BPP revision: Insights from NPOs around the globe

Over the past few months, the EU Global Facility, in collaboration with the Global NPO Coalition on FATF, conducted a series of NPO Regional Consultations in Buenos Aires, Warsaw, Cape Town, and Amman, each region bringing together representatives from various NPOs seeking to engage in a dialogue on the future of the sector.

Launched in March 2023 with the first consultations targeted at the GAFILAT and CFATF regions, the series of NPO Regional Consultations is expected to conclude next month with the fifth and last event in Bali, Indonesia.

At the core of these consultations was the aim to **harmonise the position of NPO representatives** across the globe in order to **generate a common position** on the current revision of the Best Practices Paper undertaken by the Financial Action Task Force (FATF) on Recommendation 8 related to the not-for-profit sector.

Building upon the successes of previous gatherings in Buenos Aires, Warsaw (MONEYVAL), Cape Town (GIABA, GABAC, ESAAMLG) and Amman (MENAFATF), the series of consultations will pave the way for the final Global NPO Consultation scheduled in Bonn, Germany, in September 2023. During this final global gathering, co-organised with GIZ, participants will finalise and endorse the common position and recommendations generated through the regional consultations.

*"This will be the culmination of focused efforts to provide a platform for NPO representatives from all world regions to share their experiences, challenges, and perspectives on regulatory compliance,"* explains Key Expert on Justice/CSO for the EU Global Facility Mamuka Jgenti, adding that *"by facilitating open and constructive discussions, these regional consultations have provided an invaluable opportunity for participants to engage in meaningful dialogue, and contribute to a comprehensive and inclusive approach to the revision of the BPP for FATF Rec 8"*.

As of today, Recommendation 8 remains one of the most difficult for jurisdictions to abide by, with only a few countries having been rated fully compliant with its requirements.

## Background

In June 2022, the FATF Plenary agreed to review the Best Practice Paper related to Recommendation 8 and established a Project Team of FATF delegations to consider the necessary changes and gather relevant information. The Guidance/BPP proposed for public consultation reflects the work and discussion of the Project Team, as well as members' and other stakeholders' input of relevant case studies and data on best practices to combat the abuse of NPOs. This project is being undertaken in parallel to the proposed amendments to Rec8 and its Interpretive Note (also under public consultation) to better clarify the implementation of a risk-based approach.

As part of this endeavour, the FATF has been consulting all interested stakeholders, welcoming the views from practitioners, experts and stakeholders from the NPO sector and the financial institutions. For more information, please visit the [FATF website here](#).



# Tunisia: Regional BO event

In April 2023, the EU Global Facility and the Centre National du Registre des Entreprises (RNE) of Tunisia co-organised a regional workshop on “Implementing a register of beneficial owners” for Algerian, Libyan and Tunisian participants.

A resounding success, the three-day workshop was hailed by participants as "very useful thanks to its practical approach". "We really have learned a lot" were the words of the President of the Algerian FIU at the closing.

Adel Chouari, Director General of the RNE stated: “Organising this workshop is a crucial part of our mission as an actor in the fight against money laundering and terrorist financing and guarantor of the transparency of economic transactions necessary for economic growth”. He stressed the importance of the implementation of a Beneficial Owners register, which he dubbed "first guarantor of transparency and integrity of the financial sector, especially since Tunisia is preparing a mutual evaluation of the Financial Action Task Force (FATF) in 2024".



## Seychelles endorses NPO Risk Assessment report

On 12 April 2023, some 100 participants from the Seychelles' authorities and regulators, the private sector and the NPO field convened to Victoria to celebrate the official validation of its NPO Sectoral Risk Assessment, following months of arduous efforts. The elaboration of the risk report had begun in April 2022, through a series of consultative engagements, including industry dialogues, focused group discussions, and a comprehensive survey. This process aimed to examine the risks posed by the NPO sector in order to help the country to **ensure better compliance with the requirements of the FATF Rec 8 on NPOs**.

The inherent risk report was developed by the National Risk Assessment working group, incorporating the insights received from stakeholders. Their work process was continuously supported by the EU Global Facility experts, through both online and onsite working sessions and guidance.

During the opening of the workshop, Richard Rampal, a member of the AML/CFT committee, highlighted the government's recognition of **the vital role played by non-profit organisations in supporting the social and economic well-being of Seychelles**. He emphasised that this risk assessment exercise was not to be "a one-time endeavour", as new threats will continue to emerge over time.

Participants in the event also discussed policy frameworks and guidelines to support improved compliance with the FATF Recommendation 8, as well as the forthcoming capacity building programme and outreach activities to be co-organised with the EU Global Facility.





# Coming Up

Exciting regional events on the horizon of the EU Global Facility in the coming months: our agenda is packed with a series of exciting regional conferences across Africa, Asia, Europe, and Latin America!

## Haiti:

Following a request for technical assistance and preliminary meetings, the EU Global Facility will start developing bilateral technical assistance plans for Haiti

## Germany:

Following five fruitful Regional NPO Consultations across the globe, this closing event shall see the formulation of the common NPO position on FATF Rec 8 BPP revision in Bonn in September

## UAE:

Next month, the EU Global Facility will launch its very first pioneering workshop on the methodologies, risk and potential solutions when investigating the metaverse

## Indonesia:

The fifth and final Regional NPO Consultation on Recommendation 8 will take place for the APG region in mid- July

## Argentina:

The second Regional Conference on Beneficial Ownership for the GAFILAT shall be co-organised with the FSRBs in November in Buenos Aires

## Workshops: Intelligence into Evidence

The EU Global Facility will deliver its flagship training on 'Intelligence into Evidence' in Seychelles, Paraguay and Uruguay. This activity, co-organised by our Justice and LEA components, has already been delivered in Jordan, the UAE, and Turkiye. More sessions are foreseen.

## FSRBs Plenaries

In light of its continuous engagement with FATF-Style Regional Bodies across the globe, the EU GF was invited to participate in the plenary sessions of GAFILAT in Panama and the APG in Canada, both scheduled in July 2023 as well as that of the ESAAMLG in Botswana (September 2023).

## FATF French-speaking countries training

Scheduled in July, this will mark the very first training co-organised with the standard setting organisation - the FATF - in Vienna. This unique training will target some 40 Francophone trainees from 15 African countries, Haiti, France and Belgium.



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12 |

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