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<th>Organizer</th>
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<tr>
<td>1</td>
<td>Regional Workshop on revised FATF Standards</td>
<td>12 - 14 March 2013</td>
<td>WB/IMF/OSCE/EAG/ITMCFM</td>
<td>Tashkent, Uzbekistan</td>
<td><a href="mailto:Christian.Larson@osce.org">Christian.Larson@osce.org</a></td>
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<td>2</td>
<td>Regional workshop on FIU Strategic Analysis</td>
<td>1 – 3 April 2013</td>
<td>World Bank/Egmont Group/ITMCFM/Kazakh FIU/EAG/US Embassy in Kazakhstan</td>
<td>Borovoe, Kazakhstan</td>
<td><a href="mailto:jasanbaeva@worldbank.org">jasanbaeva@worldbank.org</a></td>
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<td>3</td>
<td>National workshop on revised FATF recommendations</td>
<td>4 – 5 April 2013</td>
<td>World Bank/Kazakhstan FIU/OSCE/ US Embassy in Kazakhstan</td>
<td>Borovoe, Kazakhstan</td>
<td><a href="mailto:jasanbaeva@worldbank.org">jasanbaeva@worldbank.org</a></td>
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<td>4</td>
<td>The 41st MONEYVAL Plenary Meeting</td>
<td>9 - 12 April 2013</td>
<td>Moneyval</td>
<td>Strasbourg, France</td>
<td><a href="mailto:dghl@moneyval.coe.int">dghl@moneyval.coe.int</a></td>
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<td>5</td>
<td>Sixth Regional FIU to FIU Meeting among the countries in West and Central Asia</td>
<td>9-10 April 2013</td>
<td>UNODC/Regional Programme for Afghanistan and Neighbouring Countries</td>
<td>Almaty, Kazakhstan</td>
<td><a href="mailto:Sanam.MIRMOTAHARI@unodc.org">Sanam.MIRMOTAHARI@unodc.org</a></td>
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<td>6</td>
<td>Joint EAG/Egmont Group workshop to exchange experience on new IT technologies for financial monitoring in the AML/CFT sphere</td>
<td>20 May 2013</td>
<td>EAG</td>
<td>Minsk, Belarus</td>
<td><a href="mailto:info@eurasiangroup.org">info@eurasiangroup.org</a></td>
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<td>7</td>
<td>18th EAG Plenary and Working Group Meetings</td>
<td>21 - 24 May 2013</td>
<td>EAG</td>
<td>Minsk, Belarus</td>
<td><a href="mailto:info@eurasiangroup.org">info@eurasiangroup.org</a></td>
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<td>8</td>
<td>The FATF Plenary and Working Group Meetings</td>
<td>17 - 21 June 2013</td>
<td>FATF</td>
<td>Oslo, Norway</td>
<td><a href="mailto:Secretariat@fatf-gafi.org">Secretariat@fatf-gafi.org</a></td>
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</tbody>
</table>
AML/CFT Developments in Central Asia

AFGHANISTAN

Afghanistan enacted an AML/CFT law in 2004. The FIU was established in 2005. The on-site visit of Afghanistan’s mutual APG-IMF evaluation took place in January 2011. Afghanistan is a member of the Asia Pacific Group (APG) and an observer to the EAG. Afghan FIU became an Egmont Group member in June 2010.

BELARUS


CHINA

The AML/CFT law came into force on 1 January 2007. The Mutual Evaluation Report of China was adopted by FATF in June 2007 and by EAG in December 2007. The fifth Mutual Evaluation Follow-up Report was adopted by EAG in December 2010. China is a member of EAG and FATF and co-chairs the EAG Evaluation Legal Working Group. In February 2012 the FATF adopted the follow up report of China and decided to take off China from its regular follow-up process. China will report back to the FATF Plenary on any further improvements to its AML/CFT regime on a biennial basis.

KAZAKHSTAN

The AML/CFT law was adopted in June 2009 and came into force on 9 March 2010. The Financial Monitoring Committee (FIU) was established within the Ministry of Finance on 24 April 2008. Kazakhstan is a member of EAG, and co-chairs the EAG Technical Assistance Working Group. In October 2010 Kazakhstan underwent an EAG AML/CFT Mutual Evaluation. The Mutual Evaluation Report was adopted during the EAG Plenary in June 2011. In July 2011 during the Egmont plenary meeting in Yerevan, Armenia the Kazakh FIU became a member of the Egmont Group.

KYRGYZSTAN

Kyrgyz State Financial Intelligence Service - SFIS (FIU) became a member of the Egmont Group in May 2009. Kyrgyzstan is a member of EAG. The EAG 1st round Mutual Evaluation Report of Kyrgyzstan was adopted in June 2007. In October 2011 Kyrgyzstan was included in the FATF public document “Improving Global AML/CFT Compliance: On-going Progress”. FATF has determined certain strategic AML/CFT deficiencies and encouraged Kyrgyzstan to work on implementing its action plan to address these deficiencies. In its recent statement from February 2013 the FATF encouraged Kyrgyzstan to swiftly enact the adequate amendments related to countering terrorist financing. In November 2012 the 7th Mutual Evaluation Follow-up Report was adopted by the EAG Plenary. EAG decided to place Kyrgyzstan under the enhanced monitoring procedure, thus requiring reporting to the EAG during the next plenary meeting.

RUSSIAN FEDERATION

A Joint AML/CFT Mutual Evaluation of Russian Federation was conducted by FATF/Moneyval/EAG in 2007. The Mutual Evaluation Report was adopted by FATF/Moneyval/EAG in June and July 2006. In December 2010 the Russian Federation submitted its second follow-up report to the EAG Plenary. The second 3rd round progress report of the Russian Federation was adopted by Moneyval in September 2011. The Russian Federation is a member of FATF, Moneyval and EAG; it chairs the EAG and Moneyval and co-chairs the EAG Technical Assistance, Typologies, Evaluation / Legal, and Supervision Working Groups.

TAJIKISTAN

On 25 March 2011 the AML/CFT Law was adopted by the Parliament and signed by the President. A decision to establish the Financial Monitoring Department (FIU) under the National Bank of Tajikistan was taken by the President on 20 October 2009. Tajikistan is a member of EAG. The World Bank mutual evaluation report was adopted by EAG in December 2008. In December 2008 the EAG placed Tajikistan under the enhanced follow up procedure. In November 2012 Tajikistan presented its 8th follow-up report to the EAG Plenary and the EAG decided to keep Tajikistan on the enhanced follow up procedure, thus requiring reporting to the EAG during the next plenary meeting. In July 2012 during the 20th Egmont Plenary meeting in Saint Petersburg the Tajik FIU became a member of the Egmont Group. In June 2011 Tajikistan was included in the FATF public document “Improving Global AML/CFT Compliance: On-going Progress”. The FATF encouraged Tajikistan to address its remaining deficiencies and continue the process of implementing its action plan. In its recent statement from February 2013 the FATF recommended Tajikistan to: (1) address remaining issues regarding criminalization of ML and TF; (2) establish and implement the adequate procedures for the confiscation of funds related to ML and identifying and freezing terrorist assets; (3) address the remaining issues relating to the FIU, STR reporting requirements, and customer due diligence measure.

TURKMENISTAN

The AML/CFT law was adopted by the Parliament and signed by the President in May 2009. A Financial Intelligence Unit (FIU) was established under the Ministry of Finance in 2009. Turkmenistan became a member of EAG in June 2010. The Mutual Evaluation Report and the first follow-up Report of Turkmenistan were adopted by the EAG in June 2011. The FATF during its June 2012 plenary meeting decided to remove Turkmenistan from its monitoring process under its on-going global AML/CFT compliance process. The FATF welcomed Turkmenistan’s significant progress in improving its AML/CFT regime and noted that Turkmenistan has largely met its commitments in its Action Plan regarding the strategic deficiencies identified by FATF. Turkmen FIU became an observer to Egmont Group during its 20th Plenary meeting in July 2012. In November 2012 Turkmenistan presented its 4th follow-up report to the EAG and EAG decided to remove Turkmenistan from its follow-up procedure.

UZBEKISTAN

Uzbekistan is a member of EAG. The Mutual Evaluation Report of Uzbekistan was adopted during the EAG Plenary meeting in Almaty in June 2010. The 2nd Mutual Evaluation Follow-up Report was adopted by EAG in November 2012. The amendments to the Uzbek AML/CFT Law came into force on 22 April 2009. Amendments to other 16 laws were adopted by the Parliament in September 2009. In its February 2010 statement the FATF welcomed Uzbekistan’s significant progress in improving its AML/CFT regime and noted that Uzbekistan addressed the AML/CFT deficiencies that the FATF had identified in February 2008. Uzbekistan is no longer subject to the FATF’s enhanced monitoring process. Uzbek FIU became an Egmont Group member in July 2011.

INDIA

A Financial Intelligence Unit (FIU-IND) was set by the Government of India in November 2004 and is a member of Egmont Group. FIU-IND is an independent body reporting directly to the Economic Intelligence Council headed by the Finance Minister. India has criminalised money laundering under the Prevention of Money Laundering Act and the Narcotic Drugs and Psychotropic Substances Act. These laws came into force in 2005 and were amended in 2009. The Unlawful Activities (Prevention) Act was amended in 2004 to criminalize, inter alia, terrorist financing, and it was further amended in December 2008 to broaden its scope and to bring the legislation more in line with the requirements of the International Convention for the Suppression of the Financing of Terrorism. India is a member of FATF and APG and in December 2010 became also a member of EAG. India holds a position of a Vice-Chair of EAG. The Mutual Evaluation Report of India was adopted by FATF in June 2010.

We welcome contributed articles of up to one page in length!
<table>
<thead>
<tr>
<th>Country</th>
<th>Evaluators</th>
<th>On-Site Evaluation</th>
<th>Plenary Discussion</th>
<th>Mutual Evaluation Reports [MER]</th>
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EAG First MER, Progress report in English: http://eurasiangroup.org/ru/restricted/chinareport.pdf  
Five Follow up Reports are on EAG website |
MER and Summary in Russian: http://eurasiangroup.org/ru/restricted/bel_report.doc  
Two Progress Reports are available on EAG website |
| KAZAKHSTAN    | EAG              | October 2 -10, 2010 | Adopted: EAG (June 2011) | MER in English: http://www.eurasiangroup.org/ru/restricted/MER_2011_1_KAZ_rev1.doc  
MER in Russian: http://www.eurasiangroup.org/ru/restricted/MER_2011_1_KAZ_rev1_rus.doc  
Six Follow up Reports are on EAG website |
Seven Follow up Reports are on EAG website |
Two Follow up Reports are on EAG website |
MER in Russian: http://eurasiangroup.org/ru/restricted/EAG_ME_2008_2_rus.doc  
Seven Follow up Reports are on EAG website |
| UZBEKISTAN    | EAG              | November 8-14, 2009 | Adopted: EAG (June 2010) | MER in English: http://eurasiangroup.org/ru/restricted/EAG_ME_2010_1_eng_amended_doc  
MER in Russian http://eurasiangroup.org/ru/restricted/EAG_ME_2010_1_amended_final.doc  
First Follow up Report is on EAG website |
MER in Russian http://eurasiangroup.org/ME_2011_2_rus_rev3.doc  
Three Follow up Reports are on EAG website |
Three Follow up Reports are on EAG website |
The National Money Laundering/Terrorist Financing (ML/TF) Risk Assessment Workshop was held in Baku, Azerbaijan, from 21 to 22 February 2013. The workshop was organized by the World Bank and in cooperation with the Financial Monitoring Service (FIU) under the Central Bank of the Republic of Azerbaijan.

The main objectives of this workshop were: (1) To familiarize the participants with national risk assessment (NRA) concept and relevant developments; (2) To facilitate brainstorming and exchange of views on ML/TF risks in the Republic of Azerbaijan; (3) To introduce the World Bank's NRA Methodology and tools and learn other countries' experiences conducting NRA. Representatives of all competent Azeri AML/CFT authorities participated in the workshop. During the workshop the participants presented their views regarding the main ML/TF threats arising in Azerbaijan. The WB team provided information on ML/TF risk assessment concepts, World Bank’s approach to NRA and World Bank’s NRA Tool.

A 2-day Money Laundering/Terrorist Financing National (ML/TF) Risk Assessment Workshop was held in Tallinn, Estonia from 25 to 26 February 2013. The workshop was organized by the World Bank and the Estonian Ministry of Finance.

The main objective of the workshop was to assist the Estonian AML/CFT authorities in carrying out their Money Laundering/Terrorist Financing National Risk Assessment (NRA). The World Bank team worked with the 44 representatives of all competent Estonian AML/CFT authorities in identifying and evaluating the ML/TF risks in Estonia and analyzing the main sources and drivers of the risks in order to develop effective policies and risk-based approach to AML/CFT measures, and allocating the available resources in the most effective way to control and mitigate the identified risks. Also present at the workshop were 3 representatives of FIU, MoF and Financial Supervisory Authority of Finland.

Mr. Martin Poder, Deputy Secretary-General of Financial Policies and Foreign Relations in MoF delivered an opening presentation and thanked the WB for its readiness to assist the Estonian authorities in conducting the NRA. The WB team presented the international standards related to NRA and the WB NRA tools. During the "Blank Sheet" exercise the participants explained their views regarding the perceived main ML threats and vulnerabilities in Estonia. During the workshop the participants split into 5 sub-groups and each sub-group focused on a different NRA module. The WB experts, Mr. Stroligo and Mrs. Todoroki assisted all sub-groups and trained them how to use the modules. On 26 February all the sub-groups presented their temporary findings/analysis and each-subgroup roadmap.

The second FATF Plenary meeting of FATF-XXIV was held in Paris, France on 20-22 February 2013

During the meeting the following decisions were taken by FATF:

- In its public statement the FATF identified the following jurisdictions that have strategic deficiencies that pose a risk to international financial system:
  - Iran and Democratic People's Republic of Korea remain in the list of jurisdictions that are subject to a FATF call on its members and other jurisdictions to apply counter-measures to protect the international financial system from the on-going and substantial ML/TF risks;
  - The FATF has reported on countries that have not committed to an action plan developed with the FATF. FATF calls on its members to consider the risks arising from the deficiencies associated with the following jurisdictions: Ecuador, Ethiopia, Indonesia, Kenya, Myanmar, Nigeria, Pakistan, Sao Tome and Principe, Syria, Tanzania, Turkey, Vietnam, and Yemen.
- The FATF and FSRBs continues to closely monitor the implementation of action plan by the jurisdictions identified in the public document “Improving Global AML/CFT Compliance: on-going process” and to report on the progress made in addressing the identified deficiencies;
- The FATF has adopted new Methodology for Assessing Technical Compliance with the FATF Recommendations and the Effectiveness of AML/CFT Systems;
- The FATF has issued a statement on Turkey. After passing a new law on preventing Terrorist Financing, FATF has decided not to suspend Turkey’s membership;
- The FATF has updated the Guidance on Anti-Money Laundering and Counter Terrorist Financing Measures and Financial Inclusion;
- The FATF has approved and published the guidance on conducting National Risk Assessment;
- The FATF welcomed Ghana and Venezuela’s significant progress in improving its AML/CFT regime. Ghana and Venezuela are no longer subject to FATF’s monitoring process under its on-going global AML/CFT compliance process;
- The FATF has welcomed the Organization for Security and Co-operation in Europe (OSCE) as an observer to the FATF;
- The FATF has established a process for considering the case for/whether to undertake a limited expansion of its membership;
- The FATF has discussed the global challenges in supervision and enforcement.

For more information please visit FATF website: [http://www.fatf-gafi.org/](http://www.fatf-gafi.org/)

We welcome contributed articles of up to one page in length. To submit information for inclusion to the newsletter or to be added to or removed from the distribution list, please contact Mr. Klaudijo Stroligo at kstroligo@worldbank.org
“Egmont” Group Case study: Concealment within business structures

A businesswoman called Diana established and registered a company named Oak Ltd, assigning herself as sole owner and controller. The company, which was registered as a firm engaged in the timber trade, hired Donna as a sales agent. Both Donna and Diana were in fact involved in a range of criminal activity, and used Oak Ltd as a laundering vehicle. Funds derived from crime were paid into the company accounts in cash - although as such cash transactions were not unusual in the timber trade, no disclosure was made by the financial institution. As a result of the various illegitimate activities undertaken by both ladies, the company was able to report an inflated profit of US$100,000 in its first year as criminal funds were channeled through the income stream.

The following February Diana died of natural causes, leaving her passport at the company offices. Using Diana’s passport and pretending to be her dead employer, Donna withdrew US$100,000 from the bank in cash. Shortly after the transaction, the bank decided to disclose to the national FIU due to the rapid growth of the company and large cash withdrawal. After an analysis of the account records and consultation of the Population Register database- which detailed the date of death for Diana - the FIU identified the laundering activities of Donna and forwarded the case to the police for action. At time of writing the police were preparing to arrest her on a range of money laundering charges.

Indicators:
- Unrealistic business turnover
- Large-scale cash transactions

«Egmont» group 100 Sanitized cases are available at: http://www.egmontgroup.org/files/library_sanitized_cases/100casesqb.pdf

Publications and Websites of Interest

- http://www.unodc.org
- http://www.amlcft.org
- http://www.imolin.org
- http://www.eurasiangroup.org
- http://www.eurasiangroup.org/rus/index-5.htm
- http://www.unodc.org/amlcft
- World Bank's AML/CFT website. (In English)
- World Bank and UNODC’s Stolen Assets Recovery Initiative (StAR) website
- International Money Laundering Information Network administered by UNODC Global Program against Money Laundering, Proceeds of Crime and the Financing of Terrorism (GPML) on behalf of a partnership of eleven international organizations and offering model laws, legal library, calendar of key events and other AML/CFT related information. (In English, with some Russian)
- The EurAsian Group is the FATF-Style Regional Body serving Central Asia. (In English and Russian)
- UNODC Model Law in Russian
- The Guidance on the Risk-Based Approach to combating Money Laundering and Terrorist Financing adopted by the FATF. It outlines the high-level principles involved in applying the risk-based approach, and indicates good public and private sector practice in the design and implementation of an effective risk-based approach.
- Implementation of the FATF Standards Within Low Capacity Countries - is primarily intended to support low capacity countries (LCCs) in implementing the FATF standards in a manner reflecting their national institutional systems, is consistent with the ML/FT risks they face, and takes account of their limited resources
- The study identifies four strategies which could help in further strengthening counter-terrorist financing efforts: (a) Action to address jurisdictional issues, including safe havens and failed states; (b) Outreach to the private sector to ensure access to the information necessary to detect terrorist financing; (c) Building a better understanding of terrorist financing across the public and private sectors; and (d) Using financial investigation, enhanced by financial intelligence.
- Russian version of 40 FATF Recommendations [AML]
- Russian version of 9 FATF Special Recommendations [CFT] with Interpretive Notes

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<td><a href="http://www.fatf-gafi.org/dataoecd/45/31/40705101.pdf">http://www.fatf-gafi.org/dataoecd/45/31/40705101.pdf</a></td>
<td>FATF’s first in-depth study, which examines its vulnerabilities to misuse for money laundering and terrorist financing in real estate sector.</td>
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<td><a href="http://www.assetrecovery.org">http://www.assetrecovery.org</a></td>
<td>Asset Recovery Knowledge Center of the International Centre for Asset Recovery (ICAR)</td>
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<td><a href="http://www.egmontgroup.org">http://www.egmontgroup.org</a></td>
<td>The Egmont Group of Financial Intelligence Groups</td>
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<td><a href="http://www.caricc.org">http://www.caricc.org</a></td>
<td>CARICC - Central Asian Regional Information and Coordination Centre</td>
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<td><a href="http://www.oecd.org/corruption/acn">http://www.oecd.org/corruption/acn</a></td>
<td>Anti-Corruption Network for Eastern Europe and Central Asia</td>
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