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**INTER-AMERICAN DRUG ABUSE
CONTROL COMMISSION
CICAD**

Secretariat for Multidimensional Security

**XXXVIII GROUP OF EXPERTS FOR THE CONTROL OF MONEY LAUNDERING
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REPORT OF THE SUB-GROUP OF FIU/LEA INTEGRATION



**Report of the Sub-Working Group of
FIU / LEA Integration**

**GROUP OF EXPERTS FOR THE CONTROL OF MONEY
LAUNDERING**

Washington DC, May 2014

CICAD-OEA

BACKGROUND

Tasks requested in the last meeting (Brazilia, september 2013)

1. To develop a analysis of the impact of the new FATF 40 Recommendations, particularly regarding the formation of multi-disciplinary teams, the opportunity of their creation and other relevant aspects.
2. To develop a diagnosis of the relevant points that should be addresssd regarding security of members of FIU / LEA

BACKGROUND

1. ANALYSIS PROCEDURE OF THE RECOMMENDATION

- The Coordination of the Sub-group proposed to the executive secretary that the recommendations have direct impact on the area of competence of the sub-group (29/30/31).
- Based on these recommendations a working document was developed, which includes the text of the recommendation, the interpretative notes, the methodology and a final column on the points which in the opinion of the coordination require further development.

ANALISYS

Recomendación 29

1-. The concept of competent authorities. If the term is broadly interpreted it can lead to complications in its interaction with LEAs.

In some criminal procedure systems there are specific recipients for the information generated by the FIU. Also, the information provided by these agencies can only be used for certain purposes.

If the number of people and institutions who know and can use the FIU reports increases, it is possible that this may affect confidentiality and information security.

ANALISYS

Recommendation 29

(According to the general glossary: Competent Authorities refers to all public institutions with designated responsibilities for combating money laundering and/or terrorist financing. In particular, this includes the FIU; the authorities that have the function of investigating and/or prosecuting money laundering, associated predicate offences and terrorist financing, and seizing/freezing and confiscating criminal assets; authorities receiving reports on cross-border transportation of currency & BNIs; and authorities that have AML/CTF supervisory or monitoring responsibilities aimed at ensuring compliance by financial institutions and DNFBPs with AML/CTF requirements. SRBs are not to be regarded as competent authorities).

ANALISYS

Recommendation 29

2-. Taking into account that the intention is to assess the effectiveness of the system, apparently ways must be found to evaluate the FIU reports that incorporate its users or recipients, implying a workspace for FIU / LEA .

3 -. The FIU analysis should have elements of human judgment, not only use systems. This leads to wonder if it expects that people who have to perform the analysis will also have to testify in court.

4 -. Purposes of strategic analysis, possibility of its use to set goals for all members of the AML / CTF system.

5-. Requests for information to the FIU by competent authorities

ANALISYS

Recommendation 30

1 - . The use of a parallel financial investigation to research the predicate offense should be ensured. The objectives of this investigation are established, but there are no fixed or minimum standards on how to implement this (Possible use of the methodological guide).

Obviously the date on which the financial investigation began should be noted, since the fact that it started at the same time as the investigation of the predicate offense will be evaluated.

2.- One or more agencies responsible for identifying and securing assets should exist (problems with the concept of assets in Chile)

ANALISYS

Recommendation 30

3-. Countries are requested to adopt special precautionary measures in the field (personal and real).

4-. The concept of competent authorities is extended to institutions responsible for predicate offense financial investigations.

5-. Use and creation of multidisciplinary teams.

6 -. Cooperation with authorities in other countries. There is no information or warning on how it may develop and how its eventual compliance will be measured.

ANALISYS

Recommendation 31

1 -. Possibility of wide access to information. The question is what is necessary.

2 -. Use of mandatory measures.

3-. Use of special investigative techniques.

4-.Requesting relevant information held by the FIU. What will be the relevant information. The STRs, other kind of reports? or it is limited to the report prepared by the Unit where they are analyzed.

BACKGROUND

PROCESS OF CREATION OF THE DIAGNOSTIC ON SECURITY MATTERS

-The Coordination of the Sub-group together with the Executive Secretariat identified some points of interest in the matter and developed a model survey.

-The survey is composed of 12 questions, that were divided into 5 columns: Question, Answer (yes / no), Norms or laws, FIU/ OIC Internal Rules, Comments or observations.

-The survey will be sent within the agreed time and the answers will be tabulated in an Excel spreadsheet, which will be used as the basis of the report prepared by the coordination of the subgroup.

BACKGROUND

QUESTIONS

- 1-. Within your AML / CTF system are there special rules concerning the protection of officials of the FIU / LEA?
- 2-. Does it have protocols or procedures for preventive security of FIU and LEA officers?
- 3-. Are there protocols or reactive security procedures in the event that there is a threat to a FIU / LEA officer?
- 4-. Does your country have transparency rules requiring publishing of information on FIU / LEA officials?

BACKGROUND

QUESTIONS

- 5-. Does a particular institution exist that would assign a level of risk to a threat?
- 6-. Is there an institution that is responsible for canceling certain security measures if there is not a certain level of risk?
- 7-. Is there a self-care policy for officials of the AML / CTF system that would prevent dangerous situations?
- 8-. Have cooperation mechanisms been created between the different actors of the AML / CTF system in order to comprehensively address a threat?

BACKGROUND

QUESTIONS

- 9-. Do the different institutions buy insurance for officials working in this kind of investigations?
- 10-. Do the various actors in the system give precedence to the protection of officials over the results of a particular investigation?
- 11-. In the event of an imminent threat to any member of the FIU or LEA, do security measures tend to distance him from the case, or on the contrary, is it preferred that the same officer remain on the case?
- 12-. Are there protocols to provide legal protection for your officers?

**END OF
PRESENTATION**