



ЕВРАЗИЙСКАЯ ГРУППА
по противодействию легализации преступных доходов и финансированию терроризма

EURASIAN GROUP
on combating money laundering and financing of terrorism

WGTA (2021) 14 rev.1

35th Plenary meeting

English – Original English

For Official Use

November 12, 2021

WORKING GROUP ON TECHNICAL ASSISTANCE (WGTA)

November 11, 2021

Virtually

HARMONIZATION OF THE TA RELATED DOCUMENTS

Please, contact the EAG Secretariat on all issues related to this document:

Sergey TETERUKOV / Tel.: + 7 495 950 33 32 / E-mail: Teterukov@eurasiangroup.org

Stanislav SMOLYAR / Tel.: +7 495 950 33 50 / E-mail: Smolyar@eurasiangroup.org

Please bring all necessary documents with you to the meeting as no paper copies will be available at that time.

RULES ON COORDINATION OF THE TECHNICAL ASSISTANCE PROVIDED TO THE EAG MEMBER STATES

Introduction

1. The effectiveness of the provided technical assistance (TA) is directly related to how successful the coordination of the activities of donors and providers (D&Ps) is. Where this remains a problem, the results are often below expectations¹. Earlier, the EAG had adopted a number of decisions that are designed to improve the effectiveness of coordination by centralizing TA information collection ([WGTA \(2021\) 6](#)).
2. The objective of this document is to propose rules for coordinating TA in the EAG that are transparent and convenient for all participants, describe the main stages of work and emphasize the roles of the stakeholders. In addition, a number of general principles of work have been proposed as well as a terminology. The document is not intended to regulate every aspect of the participants' activities in an exhaustive manner. It can be adjusted and supplemented as experience is gained.
3. It should be noted that the proposals consider the already well-established practice of the Member States' engagement with D&Ps and are not intended to disrupt or change the current working methods. The delegations and their responsible agencies are in no way restricted to decide on the need of the TA, its priorities, and the choice of development partners, as has been the case so far.
4. The main novel that introduces the present paper is the definition of the role of the Secretariat and the added value of its participation in the coordination of the TA. It derives from two essential aspects of the Secretariat's activities:
 - The Secretariat is responsible for conducting mutual evaluations of Member States as well as monitoring progress. Based on this mandate, the Secretariat implements assessor training programs, participates in the development of the FATF Standards, and also applies them in practice both within the EAG and the FATF Global Network². From this point of view, the Secretariat has unique practical knowledge and skills. It would be reasonable to apply this knowledge not only after the fact, i.e. during the assessment, but also in advance, when planning and implementing assistance programs. The competence of the Secretariat can be leveraged, in particular, while defining target indicators of TA projects, as well as in assessing the results of their implementation.
 - It is worth noting that the remit of the Secretariat is not limited to mutual evaluations. The Secretariat is also responsible for the implementation of a number of horizontal projects, i.e. covering all or almost all Member States, such as the Regional Risk Assessment ([WGTYP \(2021\) 8](#)); Guidelines for Conducting Financial Investigations ([WGTYP \(2020\) 12](#)); Risk Based Approach in Supervision ([WGTA \(2021\) 8 rev.1](#)). It allows the Secretariat to have information about the specifics of the implementation of the FATF Standards in the region as a whole, as well as on the needs of several countries at the same time. In turn, this can be used for more efficient planning and distribution of D&Ps resources. Such projects provide an opportunity to use not only

¹ See, for example, *Harmonizing Donor Practices for Effective Aid Delivery*, OECD, 2003; *Effective donor coordination models for multi-donor technical assistance*, Matthew Jenkins, U4, 2017

² See Secretariat Intersessional Reports - [PLEN \(2021\) 13](#), [PLEN \(2021\) IP 6](#)

the results already achieved by the Global Network (guidance, best practices), but also to consider FATF priorities in the planning of EAG activities.

5. In other words, these proposals position the Secretariat not as an additional bureaucratic structure that seeks to regulate relations between the Member States and the D&Ps community, but as a source of expertise in terms of the practical implementation of the FATF requirements and development priorities for the region, i.e. as a factor to increase the effectiveness of the TA. In addition, the Secretariat sees its task in systematizing the experience of TA delivery and distribute the best practices in the EAG area.
6. Current and final results of TA coordination are the subject to review and discussion at meetings of the Working Group on Technical Assistance (WGTA).

Terminology

- Technical Assistance (TA) - is a set of measures designed to enable Member States to improve the effectiveness of their national anti-money laundering systems in accordance with the FATF Standards and the objectives these systems have. In general, the goals of TA are to establish and develop legal and institutional framework; human, technical and other potential.
- Donor - a state or organization which has taken a role of a sponsor of the TA.
- Provider - an organization or an expert which implement the TA in the interests of the beneficiary.
- Development partners is a collective term that refers to both donors and providers (D&Ps).
- Beneficiary - a public authority or organization of a Member State to which the TA is being provided.
- Participants of the TA coordination system - beneficiaries, D&Ps, WGTA, the Secretariat.

TA Classification

7. The TA is determined not only by its subject area, but also by the form and type of the end result. In order to use a unified terminology, the following classification is offered:
 - a. Types:
 - legal regulation (for example, analysis or development of legal acts);
 - out-of-the-box solutions, methodologies, technologies and working tools;
 - special knowledge and skills (for example, training or professional development);
 - material support (for example, financing of purchases or events);
 - other types.
 - b. Forms:
 - written and other media materials;
 - consultations and working meetings;
 - acquisition, provision of tangible and intangible assets;
 - other forms.

Examples:

- 1) development of draft legal acts for conducting parallel financial investigations (type-1, form-1, subject area-IO7).
- 2) development of a risk assessment methodology and training in its use (type-2, form- 1 and 2, subject area- IO1).

8. This classification will also be useful in analyzing various types and forms of the TA for their effectiveness and, accordingly, in planning future activities.

Principles of providing the TA

- Setting the objectives and measurable indicators of their achievement before the beginning of the provision of TA.
- Choosing the best type and form of TC according to the objectives.
- Realistic expectations: understanding what the TA can and cannot deliver.
- Involvement and interest of the beneficiary of the TA: only the beneficiary can translate the provided TA into practical results.
- Targeting: meeting the needs of the beneficiary, taking into account its objectives and competencies, as well as the national context.
- Flexibility: analysis of the results based on the feedback from the participants, and corresponding adjustments of plans.

Indicators of the effectiveness of individual TA measures

- Achievement of results and target indicators (short-term effect).
- Timeliness: TA results are achieved within a time frame that allows them to have an impact.
- Sustainability of results: the effects of implementation are sustained over the long term, leading to qualitative improvements in the AML/CFT system (long-term effect).

TA coordination principles

- Clear definition of the responsibilities of the main participants.
- Planning based on priorities and resources.
- Interaction and cooperation of stakeholders at all stages.
- Dissemination of the best practices and exchange of experience.

Main stages of TA projects**I. NEEDS ASSESSMENT**

9. *Objectives of the stage:* to obtain an impartial and comprehensive overview of needs for assistance, which is based on the current level of development of the system, identified deficiencies and the challenges facing the AML / CFT system

10. *Roles of the participants:*

- **The main role** at this stage, belongs **to the beneficiary of the TA**, as the beneficiary serves as the source of the request and as the ultimate beneficiary;

- **A supporting role** is given to **the Secretariat** and **development partners**. This role is to clarify or reformulate the request using the terms found in the FATF methodology (in the case of the Secretariat), as well as to apply the practice of TA (D&Ps).

11. *Required resources:*

- a. The information on
 - deficiencies of the system (possible sources - mutual evaluation reports, progress reports, evaluation mission reports of international organizations);
 - needs in the development of the system (possible sources - the beneficiary³, development partners⁴, findings and recommendations based on the results of the implementation of EAG projects);
 - previously provided TA (possible sources - the EAG Secretariat based on a centralized mechanism for collecting information (WGTA (2021) IP 5).
- b. Experts from TA beneficiary agencies, development partners and the Secretariat staff.

12. *Possible problems:*

- Lack of objective information about the deficiencies of the system (for example, due to age of the reports);
- Lack of objective information on previously provided assistance and its results (for example due to insufficient coordination at the national level);
- Lack of objective information on the challenges facing the AML/ CFT system.

II. DETERMINATION OF EXPECTED RESULTS

13. *Objectives of the stage:* based on the identified needs, to determine the content of TA, its type and form, beneficiaries, as well as the expected results and measurable indicators of their achievement. Despite the fact that this stage is directly linked chronologically and organizationally with the previous one, it should be considered separately due to its central role for the whole process: how well the expected results are composed will actually determine the effectiveness of the TA provided.

14. *Roles of the participants:*

- **The main role** at this stage is assigned to **the beneficiary** and **the Secretariat**. The beneficiary formulates the expected results in general terms, while the EAG Secretariat refines and specifies them in terms of compliance with the FATF Standards, experience of mutual evaluations and the best practices in the Global Network. In addition, the Secretariat has the opportunity to involve experts - members of the assessment and project teams in this work, which significantly increases the added value of the proposals;
- **A supporting role** at this stage is assigned to **D&Ps**. The task is to ensure that the formulated expected results and indicators are clear and do not allow for ambiguous interpretation.

15. *Required resources:*

Experts from TA beneficiary agencies and development partners, the Secretariat staff, members of assessment and project teams.

³ See Annexes A, B

⁴ See Annexes C, D

16. *Possible problems:*

- An abstract description of the results or their indicators;
- Errors in target setting while formulating expected results (unawareness or misinterpretation of the requirements of standards, unrealistic expectations of D&Ps capabilities).

III. WORK PLANNING

17. *Objectives of the stage:* to determine time frames and executors based on priorities and expected results, and to avoid duplication and consolidate available resources where it is appropriate (for example, with similar needs in several countries).

18. *Roles of the participants:*

- **The main role:** equally between all participants in the TA coordination system, namely: **beneficiary** (in terms of priorities), **D&Ps** (in terms of identifying opportunities), **the Secretariat** (in terms of detection of duplication and finding opportunities to consolidate resources);
- **A supporting role:** absent.

19. *Required resources:*

- Information on the capabilities of D&Ps (experience, experts, financial resources);
- Information on the planned D&Ps' TA programs.

20. *Possible obstacles:*

- The development partners' proposal does not meet requests (in terms of content or timing);
- The interrelationships between the elements of the plans are not taken into account;
- Errors in determination of priorities;
- Incomplete information on the planned TA projects.

IV. IMPLEMENTATION OF PROJECTS

21. *Objectives of the stage:* to provide TA, based on the expected results, their type and form.

22. *Roles of the participants:*

- **The main role:** **development partners** and **beneficiary** equally;
- **A supporting role:** **the Secretariat**, specifically to track progress and, if necessary, adjust plans, report to the WGTA.

23. *Required resources:*

- Experts of D&Ps and beneficiary;
- Financial resources.

24. *Possible problems:*

- Unqualified experts;
- Missed deadlines;
- Insufficient involvement of the beneficiary in the work with the D&Ps;

- Lack of interest of the beneficiary in the practical implementation of the results.

V. EVALUATION OF RESULTS

25. **Objectives of the stage:** to assess the extent to which the provided TA meets the initially formulated needs, as well as to determine the best practices for the provision of TA and disseminate them in the EAG. The evaluation can be carried out in two-time intervals: short- and medium-term (assessment of TA in terms of achieving the set result in accordance with item 2), and long-term (assessment of TA impact on the system performance indicators).

26. **Roles of the participants:**

- **The main role: the beneficiary and the Secretariat.** The task of the beneficiary is to provide feedback on the achievement of the targets of the assistance. The task of the Secretariat is to ensure methodological consistency of the feedback results and to highlight examples of best practices;
- **A supporting role: development partners** provide clarification if feedback from the beneficiary is ambiguous.

27. **Required resources:**

- Information on the results of development partners' work (objective criteria, feedback from beneficiary);
- Information of mutual evaluation reports and progress reports.

28. **Possible problems:**

- Subjective assessment or incomplete information from the TA beneficiary;
- the effect of providing TA may be deferred;
- Loss of beneficiary's interest (involvement) in tracking and obtaining "deferred" results at the stage after the provision of TA and before the arrival of the results.

29. **Summary table with the main stages and roles of participants in the TA coordination system**

Stages	Participants		
	The beneficiary	Development partners	The Secretariat
Needs Assessment	M	S	S
Expected results	M	S	M
Work Planning	M	M	M
Implementation of projects	M	M	S
Evaluation of results	M	S	M

Technical assistance information collection form⁵

TA needs			Priority	Recipient(s)	Expected outcome			Timing (beginning/end)	Types and forms of TA*	Provider(s) (Expert/Organisation)	Donor(s) (Development Bank/State/Other)	Responsible for the implementation of TA projects	Situation at the time of the TA request	Description of the progress in providing TA	Feedback from the EAG Member State on outcomes	Coordination with the EAG Secretariat
General description of the need	Source of the need	Nature of the need			General description of the expected outcome	Achievement criteria	Reference to the recommended action or the FATF Recommendations									
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* Types and forms of TA provision are given according to the "Rules on coordination of the TA provided to the EAG Member States".																

⁵ Submitted information should relate not only to the FIU, but also to other government authorities or the private sector to which TA is provided. The FIU summarizes materials and informs the EAG Secretariat.

Order of filling in the information collection form of technical assistance (TA)

1. **General description of the need** – describe the essence of the need, i.e., what needs to be done. For example, "Training for supervisors in conducting ML/TF risk assessments in the NPO sector";
2. **Source of the need** - select the source of the need from the drop-down list. For example, "Mutual Evaluation Report";
3. **Nature of the need** - select the nature of the need from the drop-down list. For example, "Development of legal acts";
4. **Priority** - select the priority of the implementation of the need from the drop-down list. For example, "High";
5. **Recipient(s)** - specify the recipient of TA from the drop-down list. For example, "Public Authority";
6. **General description of the expected outcome** - describe the expected outcome from implementing the TA need. For example, "Receiving of a new knowledge and competencies by supervisory authorities to conduct risk assessment of the NPO sector";
7. **Achievement criteria** - describe the outcome achieved as a result of implementing the TA need. For example, legal acts have been developed; theoretical and practical knowledge on AML/CFT legislation has been obtained; analytical products/IT infrastructure of FIU (other competent public authorities) has been improved; national AML/CFT system indicators have been improved (indicate area); technical compliance rating has been improved, and etc.;
8. **Reference to a recommended action or a criterion for compliance with the FATF Recommendation** - reference is made to a recommended action suggested as a result of ME or a criterion for compliance with the FATF Recommendation. For example, "3.1., 3.2. or Rec. 1, 2", etc.;
9. **Timing (beginning/end)** - specify timeframe when the need in TA is planned to be implemented from the drop-down list;
10. **Type and form of TA** - select the type or form of providing TA from the drop-down list. Types and forms of TA provision are given according to the "Rules on coordination of the TA provided to the EAG Member States". To be filled in by the EAG Secretariat;
11. **Provider(s) (Expert/Organization)** - TA provider is specified;
12. **Donor(s) (Development Bank/State/Other)** - TA donor is specified;
13. **Responsible for the implementation of TA projects** - indicate government agencies and private sector organizations responsible for the implementation of TA projects;
14. **Situation at the time of the TA request** – provide information on the current status in the area for which TA is requested; on whether the private sector entities for which assistance is requested are AML/CFT reporting entities; on government bodies responsible for implementing TA projects/tasks, their powers with a link to the official website of the authority, possible features of information exchange for the purposes of TA; on specifics of work acceptance (for example, whether interagency approval for NLAs is required, whether technical expertise for IT products from the security authorities is required, etc.).
15. **Overview of the TA provision** – describe progress or regression in TA provision is noted;
16. **Feedback from the EAG Member State on outcomes** - describe the extent to which expected outcome was achieved (achieved, achieved to a large extent, partially achieved, or not achieved);

17. **Coordination with the EAG Secretariat** - indicate whether TA was coordinated with the EAG Secretariat from the drop-down list.

**ACTIVITY REPORT
OF THE EURASIAN GROUP ON COMBATTING MONEY LAUNDERING
AND FINANCING OF TERRORISM OBSERVER**

The Report covers the main activities held after the EAG Plenary meeting on Место для ввода даты. and updated information about planned measures/projects and initiatives until Место для ввода даты.⁶

Country/organisation:	Выберите элемент.
Contact person responsible for cooperation with the EAG:	[Full name] [Position] [Email] [Telephone]

1. Steps taken to implement international AML/CFT standards⁷

Legislative and regulatory framework developments - new or amended legislation (including draft), drafting/issuing/implementation of regulations to financial sector/DNFBPs; Law enforcement developments (e.g., significant investigations/prosecutions, enhancement of FIU, implementation of cross-border cash controls etc.).

2. General information⁸

Please provide a short description of your organization's mandate with regards to AML/CFT, and the relevant AML/CFT instruments / standards of your organization. Please indicate how your organization has committed to endorse the FATF Recommendations, guidance and other policy for combating money laundering and the financing of terrorism and proliferation.

3. Areas of common interest with the EAG

Please indicate the areas/directions of EAG activities that are of most interest to your country/organization.

⁶ Specify information for a single year in-between Plenary meetings.

⁷ Only filled by the EAG observer country.

⁸ Only filled in by an EAG observer organisation.

4. Observer's input into the international AML/CFT/CPF system

Please specify which guidance, typological studies and guidelines related to the AML/TF/CPF area you have published within the requested period?

<i>Title and link to the publication</i>	<i>Year of publication</i>
[Publication name]	[#####]
[Publication name]	[#####]
[Publication name]	[#####]
[Publication name]	[#####]

Please specify the number of projects relating to technical assistance you have provided, been provided or planned to the EAG Member States in the AML/CFT/CPF field in the requested period (if applicable)⁹.

- *To be filled in accordance with Annex D.*

Have any engaged in any other activities in order to assist the EAG Member States in developing or improving their national AML/CFT/CPF systems?

[Please specify...]

⁹ Information should relate not only to FIUs, but also other AML/CFT competent authorities.

Technical assistance information collection form¹⁰

TA needs			Priority	Recipient(s)	Expected outcome			Timing (beginning/end)	Types and forms of TA*	Provider(s) (Expert/Organisation)	Donor(s) (Development Bank/State/Other)	Responsible for the implementation of TA projects	Situation at the time of the TA request	Description of the progress in providing TA	Feedback from the EAG Member State on outcomes	Coordination with the EAG Secretariat
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¹⁰ Submitted information should relate not only to the FIU, but also to other government authorities or the private sector to which TA is provided.

Evaluation criteria for assessing the effectiveness of the TA provided	
N/a	
1	Was the expected outcome achieved?
2	How would you evaluate the provider's qualification?
3	How timely was the TA provided?
4	Has the performance of the FIU or other competent authorities improved as a result of the assistance provided?
5	What is the likelihood that the practical benefits of the TA provided will persist in the long term?
6	How would you evaluate the quality of TA coordination by the EAG Secretariat?
Final assessment	How effective was the TA provided?

Note: when making the final assessment in the STACS, the weight of indicators for calculation is taken into account according to the following principle: 1) if 4 or more criteria are positively responded to, the TA is considered effective; 2) if the most of the criteria are negative, the TA is considered not effective. Assessment of the effectiveness is carried out in the period from 3 months to one year after completion of the task in the STACS.