



ЕВРАЗИЙСКАЯ ГРУППА
по противодействию легализации преступных доходов и финансированию терроризма

EURASIAN GROUP
on combating money laundering and financing of terrorism

39th EAG PLENARY MEETING

December 4 – 8, 2023

The People's Republic of China, Sanya

OUTCOMES OF THE 39TH PLENARY MEETING

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I. General information about the EAG Plenary Meeting

The meetings of the EAG Working Groups and the 39th Plenary Meeting of the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG) were held in Sanya (The People's Republic of China) on December 4-8, 2023. The meetings were attended by the representatives of all EAG Member States, the FATF Secretariat as well as the following observers and invited delegations: Armenia, Iran, USA, EDB, EBRD, EEC, NDB, CH FIU CIS, SCO, World Bank, UNODC, Azerbaijan, Hong Kong (China), Luxemburg, Macao (China), UAE, Japan and UNOCT.

The Plenary was chaired by the EAG Chairman Mr. Yuri Chikhanchin (Russian Federation) and the EAG Deputy Chairman Mr. Dovran Khalbaev (Turkmenistan).

The welcome address to the Plenary on behalf of the People's Republic of China was made by Mr. Pan Gongsheng, Governor of the People's Bank of China and Mr. Chen Huaiyu, Vice Governor of Hainan Provincial Government.

II. Key issues and the most important decisions of the Plenary Meeting

The Plenary elected Mr. Yuri Chikhanchin (Russian Federation) as EAG Chairman and Mr. Shamsiddin Sohbnazarov (Republic of Uzbekistan) as EAG Deputy Chairman for the period 2024-2025, and approved the Chairmanship Main Priorities which include preparing for and conducting the 3rd round of EAG mutual evaluations; strengthening the cooperation with FATF and FATF-style regional bodies and relevant international organisations; countering the use of virtual assets for criminal purposes; improving mechanisms for sharing information on ML/TF risks between government agencies and the private sector; raising awareness of the activities of terrorist groups in the region, the ways and methods they use to finance their activities, taking into account the development of modern payment instruments; formation of coordinated approaches to educational activities and information coverage of AML/CFT events in the Eurasian region.

The Plenary Meeting approved the EAG Strategy for 2024-2028 and the updated EAG Work Plan for 2024. According to the Strategy, the priority directions of EAG activity in 2024-2028 will be focused on further strengthening Member States' national AML/CFT/CPF systems while strictly adhering to FATF Standards and increasing their level of compliance with the FATF Standards through improved technical assistance (TA) and its coordination; conducting the 3rd Round of EAG Mutual Evaluations; strengthening coordination within the EAG and increasing the level of cooperation between countries; interaction with other members and observers of the Global AML/CFT/CPF Network; and increasing coordination and cooperation with the FATF and FSRBs.

Under the 2nd Round of EAG Mutual Evaluations, the Plenary heard the Russian Federation's 1st Follow-Up Report and the Kyrgyz Republic's 5th Follow-Up Report and approved the reports with revised ratings. In the framework of the 40th Plenary Session, the Kyrgyz Republic will provide an update on the issues of applying a risk-based approach in the supervision of the NPO sector. Progress reports of the Kyrgyz Republic and the Russian Federation will be published on the EAG website after passing the quality and consistency procedure of the FATF global network.

The Plenary received information on the voluntary tax compliance program of the Kyrgyz Republic. The country committed to continue interaction with the Secretariat and interested States on the implementation of the program and will report on its implementation at the 40th Plenary Session.

The Plenary received information on the implementation of the Plan (roadmap) on mitigating regional ML/TF risks in the Eurasian region and approved the proposal to develop a document regarding the conduct of joint international financial investigations.

The Plenary took note of and approved the proposed version of the information consolidation under the project "Mechanism for monitoring the operational environment in Member States with regard to emerging risks," as well as the regular preparation of such information in the future. The main ML threats in Member States remain fraud, including budget fraud, corruption, tax crime, and illicit drug trafficking. The advancement of information and communication technologies, particularly virtual assets, creates new risks of money laundering and terrorist financing in the Eurasian region. The information consolidation results are intended to be used in the work of competent authorities in Member States to mitigate ML/TF risks.

The Plenary approved the EAG Registry of Typologies, as well as the new version of the regulatory documents - Guidelines on conducting EAG typologies projects and common approaches for sharing best practices, typologies and automation experiences. The work on systematising typologies, formalising their type and improving the processes of conducting typology projects will make it possible to improve the effectiveness of the WGTYP in conducting typology projects and using their results in practice, including by improving the availability of typologies, ensuring a comprehensive understanding of the ML/TF mechanisms and methods used by Member States.

The Plenary approved the Plans for TA to the Republic of Kazakhstan and Turkmenistan in the context of activities based on the outcomes of mutual evaluations. The Plans are aimed at improving national AML/CFT/CPF systems in areas such as legislation compliance with FATF recommendations and strengthening the expert capacity of national competent authorities. The EAG invites Member States and observers who want to help with the implementation of the Plans to join as donors and providers.

The Plenary was briefed on the operation by the Member States, development partners and the Secretariat of the Single Technical Assistance Coordination Information System (STACS) on the EAG website. The STACS is aimed at improving TA coordination in the EAG to enhance the effectiveness of its Member States' national AML/CFT systems, their compliance with the FATF Standards and increasing productivity when implementing TA projects. The Eurasian Development Bank provided financial support for the system's development.

The concept note for a typologies project co-led by the Republic of Kazakhstan and the Russian Federation to develop a mechanism to improve the effectiveness of national anti-money laundering systems on asset recovery was approved. The project will also take into account the amendments to Recommendations 4, 30, 31, 38, and 40 on asset recovery that were adopted by the FATF in October of this year.

III. Other issues

The Plenary approved the final reports of the projects titled "Laundering of Proceeds of Crime Derived from Corruption Offences and Crimes against the Interests of the Public Service" (project leader – Republic of India), "Laundering of Proceeds of Crime Derived from Trafficking in Drugs and their Precursors" (project leader – Republic of Kazakhstan), and "EAG Guidelines for AML/CFT Financial Investigations".

The Plenary received an update on the progress of the project on the development of best practices for risk assessment and implementation of risk-based supervision of the non-profit organisations. Considering the

amendments to the R.8 and INR.8 introduced by the decision of the FATF Plenary in October 2023, as well as the appeal of the Project Team, the Plenary decided to extend the project implementation period until May 2024.

The Plenary approved the personal composition of the contact group for the exchange of experience gained in the application of IT solutions in the field of AML/CFT/CPF, as well as proposals for its work organization. The EAG Secretariat was instructed to ensure the coordination of the contact group with the organisational support of the ITMCFM.

The Plenary heard the Republic of Kazakhstan's best practices on approaches to the identification of beneficial owners and formation of the registry, as well as the People's Republic of China's best practices on AML monitoring and analysis technology based on massive data.

Reports on the implementation of TA coordination projects in the Republic of Belarus, the Kyrgyz Republic, the Republic of Tajikistan, and the Republic of Uzbekistan were also heard at the Plenary Meeting. The role of ITMCFM as a leading donor and provider in the implementation of TA project plans for EAG Member States was emphasized.

The Plenary took note of the current results of the work of the project group on the development of the concept of the International Association of Training and Methodological Centers. The Plenary took note of the speeches of the observers (Islamic Republic of Iran, World Bank, New Development Bank, European Bank for Reconstruction and Development, Council of Heads of Financial Intelligence Units of CIS Member States and Eurasian Economic Commission), thanked for the experience presented and expressed the hope for further cooperation.

The Plenary heard the results of the joint UN-EAG-Rosfinmonitoring workshops on countering the use of virtual assets in financing of terrorism in the EAG Member States.

The annual Contest for the best cooperation between the competent authorities in the field of AML/CFT was held as part of the Plenary Meeting. The 10th Contest's winner was People's Republic of China, and its laureates were Republic of Kazakhstan and Russian Federation.

The best cases were heard during the Plenary Meeting, and the awarding procedure of the winner and laureates of the 2nd Contest among compliance officers of financial institutions from EAG Member States for the best AML/CFT financial analysis was held. The Contest's winner was payment institution from China, and its laureates were cryptoexchange from Kazakhstan and banks from Russia and India.

The Plenary approved the outcomes of the 3rd Forum of the Eurasian Group on AML/CFT (September 4-5, 2023, Issyk Kul, Kyrgyz Republic), a training workshop for supervisors on conducting sectoral risk assessments (November 23, 2023, Minsk, Republic of Belarus), with the support of the ITMCFM (Russian Federation), and the Workshop "Fintech and AML/CFT" that was hosted by the People's Republic of China and held as part of the Plenary Week.

The Plenary approved the outcomes of the 3rd International Financial Security Olympiad, which took place from May to October 2023 at the initiative of the Russian Federation, which provided the organisation and coordination of the participants of the Olympiad, as well as its financing, and the International Financial Security Forum "Sirius-2023" which took place on the sidelines of the Olympiad. The Plenum expressed its support for the development of the International Financial Security movement.

The Plenary approved the initiative of the Russian Federation to develop coordinated approaches to information coverage of AML/CFT activities of the EAG Member States.

The Plenary expressed gratitude to the People's Republic of China for hosting the 39th EAG Plenary Meeting and working group meetings, as well as for the high level of organization.

The 40th EAG Plenary Meeting will be held in the Kyrgyz Republic in May-June 2024.