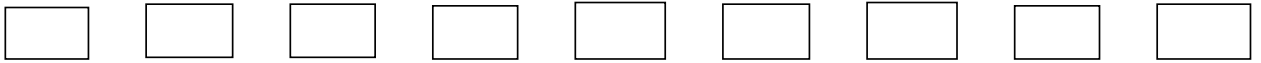


20th EAG PLENARY MEETING

June 16-20, 2014

Russian Federation, Moscow



20th EAG PLENARY MEETING PUBLIC STATEMENT

For any inquiries, please, contact the EAG Secretariat:

Boris TOROPOV

Тел.: + 7 495 950 33 50,

E-mail: Toropov@eurasiangroup.org

20th EAG Plenary Meeting Public Statement

A. *General Information on EAG Plenary Meeting*

The Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG) 20th Plenary meeting and meetings of Working Groups took place in Moscow (Russian Federation) from 17 to 20 June 2014.

The Welcome Letter of the President of the Russian Federation Vladimir Putin was presented to the Plenary meeting.

The event was attended by delegations of EAG member states: Belarus, India, Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan, Turkmenistan and Uzbekistan, as well as representatives of the EAG observer states and organizations: Armenia, Italy, Moldova, Mongolia, Poland, Turkey, Montenegro, the FATF, MONEYVAL, the Eurasian Development Bank (EDB), the European Bank for Reconstruction and Development (EBRD), the CIS Executive Committee, the Counter-Terrorism Committee of the United Nations (UN CTC), Collective Security Treaty Organization (CSTO), the Organization for Security and Cooperation in Europe (OSCE), the UN Office on Drugs and Crime (UNODC), as well as SCO RATS and CIS ATC which were invited by the Plenary.

The EAG Chairman, Additional Secretary, Ministry of Finance of the Republic of India, Dr. K.P. Krishnan chaired the Session.

The EAG Plenary considers it unfortunate that the joint FATF/EAG Plenary could not be held in Moscow due to the inability of some FATF member countries to come to Russia. The Plenary underlines the importance of retaining the technical nature of the AML/CFT activities including that of the FATF and FSRBs, an approach strengthening the global efforts on AML/CFT, including effective implementation of FATF standards.

The EAG reiterates its commitment to contribute to the global AML/CFT cause and to the Global FATF Network, and confirms its efforts to strengthen the latter by contributing to it by various means and forms including joint meetings, workshops and mutual consultations.

B. *The Most Important Issues of the Plenary Session*

The Plenary approved Mr. Tadzhiyakov Bisengali Shamgalievich, the Head of the Financial Monitoring Committee of the Ministry of Finance of the Republic of Kazakhstan, as the Vice-Chair of the EAG. The Plenary approved 2015 Action Plan drafted by the EAG Chairman Dr. Krishnan.

The Plenary approved the mandate and action plan of the Working Group on Risk Management and Supervision (WGRS). The Plenary approved co-chairs for WGCF and WGRS; approved WGEL, WGTA, WGTYP and WGCF reports and the schedule of the EAG activities for the second half of 2014.

The Plenary meeting approved the EAG Secretariat activity report for 2013 and for the period since 19th EAG.

C. *Future Activities of the EAG*

The Plenary meeting noted the importance of preparatory work for the 2nd round of mutual evaluations, and monitoring voluntary tax compliance and capital amnesty programs in the EAG member states.

The Plenary meeting decided to temporarily adopt the EAG VTC monitoring procedures.

D. *Cooperation with International and Regional Organizations, which are the EAG Partners*

The following documents were signed as part of expanding cooperation with international and regional organizations: Protocol on Cooperation between the EAG and the Regional Anti-Terrorist Structure of the Shanghai Cooperation Organization (SCO RATS); Memorandum of Cooperation between the EAG and the Anti-Terrorism Centre of the States - Members of the Commonwealth of Independent States (CIS ATC).

The EAG Secretariat reported on preparation for a joint typological seminar with the MENAFATF and joint workshop OSCE/EAG.

E. The EAG Member States AML/CFT Statuses

India, China, Russia, Turkmenistan and Uzbekistan provided information on national AML/CFT legislation amendments.

The Republic of Tajikistan

In the period under review, the Republic of Tajikistan continued to strengthen its AML/CFT system. Tajikistan has made considerable progress in respect of Recommendations (1, 3, 4, 5, 10, 13, 23, 26, 35, 36, 40, SR I, SR II, SR III, SR IV, SR V) due to the adoption of amendments to the Criminal Code of the Republic of Tajikistan and the Law "On combating money laundering and terrorist financing" and other regulations.

In view of the progress achieved, remove the country from enhanced follow-up and place it under regular follow-up.

Recommend to the Republic of Tajikistan to report the results of its ICRG review to the Plenary for the latter to make a decision on whether the country could be placed under the basic monitoring procedure.

The Kyrgyz Republic

The Plenary meeting welcomed the progress made by Kyrgyzstan in implementation of the requirements of international standards into the legal acts of the Kyrgyz Republic, with respect to key and core recommendations R.1, R.3, R.5, R.13, R.23, R.35, SR.I, SR. II, SR.III, SR.V.

Kyrgyzstan is encouraged to continue its work on improving the national AML / CFT system and to eliminate remaining deficiencies on R.2 and SR.III.

The Plenary meeting requests Kyrgyzstan to submit its 11th follow-up report on progress of its national AML/CFT system to the 21st Eurasian Group Plenary meeting under the procedures of removal from the EAG follow-up process.

The Republic of Belarus

The Republic of Belarus has made progress in meeting the requirements of the key and core recommendations during the period from approval of the MER in December 2008.

Belarus confirmed the political will to improve their national AML/CFT legislation and bring it in line with the FATF standards, which appears by the approval of the Law "On Measures to Prevent the Legalization of Proceeds from Crime, Terrorist Financing and Financing of Proliferation of Weapons of Mass Destruction" of 12 of June, 2014 that is focused on addressing deficiencies identified by MER.

Most of the articles of the law are not in force when the report was prepared and discussed. The present analysis only considers those provisions of legislation that are in force.

Thus, the Republic of Belarus is encouraged to continue its work on improvement of the national AML/CFT system and addressing deficiencies identified by MER. It seems appropriate

to consider the removal of the Republic of Belarus from the monitoring procedures and present a relevant report to the 22nd Plenary meeting in May-June 2015, and to require the Belarus to submit an interim information on action taken to the 21st Plenary meeting.

The Republic of Kazakhstan

The Plenary meeting congratulates Kazakhstan on the achievements and highlights the Republic of Kazakhstan's progress in removing deficiencies related to core and key recommendations, in particular, to R.1, R.5, R.13, R.23, R.35, SR.I, SR.III, SR.IV, as well as to R.6, R.7, R.8, R.11, R.15, R. 16, R.18, R.21, R.22, R.29, R.33.

It is recommended to Kazakhstan to continue effort to improve national AML/CFT system and to remove deficiencies related to the following core and key, NC and PC rated recommendations: R.1, R.5, R.13, R.23, R.35, SR.I, SR.II, SR.III, and SR.IV.

The Plenary requests that Kazakhstan presents interim information on the improvement of its national AML/CFT system to the 21st Plenary in November 2014.

Kazakhstan has to present, under the Schedule of removal from monitoring procedures, the 3rd (detailed) report on all NC and PC rated recommendations to the 23rd EAG Plenary, November, 2015.

F. Other

The regular round of the EAG Private Sector Consultations "Risk Based Approach in New Payment Methods" took place within the Plenary week.

The Plenary meeting expresses its appreciation to the ITMCFM for the great contribution to the improvement of the regional AML/CFT regime and for assisting the EAG.