

## **23<sup>rd</sup> EAG PLENARY MEETING**

*November 09-13, 2015*

*Russian Federation, Moscow*



### **ON THE RESULTS OF THE 23<sup>rd</sup> EAG PLENARY MEETING**

*For any inquiries, please, contact the EAG Secretariat:*

*Vladimir NECHAEV*

*Tel.: + 7 495 950 33 50,*

*E-mail: [Nechaev@eurasiangroup.org](mailto:Nechaev@eurasiangroup.org)*

*Please bring this document with you to the meeting as no paper copies will be available at that time*

## The results of the 23<sup>rd</sup> EAG Plenary Meeting

### A. *General Information on EAG Plenary Meeting*

The Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG) had its 23<sup>rd</sup> Plenary meeting and meetings of Working Groups in Moscow (Russian Federation) from 09 to 13 November 2015.

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, Poland, USA, Turkey, Montenegro, France, FATF, Egmont Group, Asian Development Bank, Anti-Terrorist Center of the Commonwealth of Independent States (ATC CIS), World Bank, Eurasian Development Bank (EDB), European Bank for Reconstruction and Development (EBRD), United Nations Counter Terrorism committee (UN CTC), Collective Security Treaty Organization (CSTO), the Organization for Security and Cooperation in Europe (OSCE), the UN Office on Drugs and Crime (UNODC) Shanghai Cooperation Organisation (SCO), as well as Republic of Korea which was invited by the Plenary.

The EAG Chairman Mr. Ajay Tyagi (India) chaired the Plenary Session.

The FATF President Mr. Shin (Republic of Korea) has delivered his welcome speech to the participants of the Plenary.

### B. *Important Issues of the Plenary Session*

The Plenary elected the Director of the Federal Service for Financial Monitoring Mr. Yury Chikhanchin as Chairman of EAG. The Chairman of the State Financial Intelligence Service under the Government of the Kyrgyz Republic Mr. Melis Mambetzhonov was elected as Vice Chairman of EAG.

The Plenary approved the EAG Action Plan for 2016, EAG Calendar of events for 2016, Schedule of EAG 2<sup>nd</sup> Round of Mutual evaluations.

The Plenary discussed the items relating to ISIL, and urged the member-states to intensify the efforts to combat the financing of the terrorist organization ISIL, as well as rapid implementation of the relevant UN Security Council Resolutions.

### C. *Future Activities of EAG*

The Plenary has discussed the application of the Republic of Korea and granted Korea the status of an observer in EAG.

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

As part of the expansion of cooperation with international and regional organizations, the Plenary endorsed the idea of holding of a joint FATF/EAG/UNODC typological workshop in 2016.

### E. *EAG Member States AML/CFT Status*

#### **Republic of Belarus**

The Plenary noted the progress made by the Republic of Belarus in the development of the drafts on amendments and additions to the Basic Law, as well as the Criminal Code and Criminal Procedural Code.

At the same time, the Republic of Belarus needs to continue the work to address the deficiencies on SR.III and SR.V.

The Republic of Belarus shall report on the status of the draft laws and willingness to exit from the EAG monitoring procedures in the course of the 24<sup>th</sup> EAG Plenary, and shall provide its next follow-up report of the national AML/CFT regime on SR. III and SR. V at the 25<sup>th</sup> EAG Plenary Meeting in the framework of enhanced monitoring procedure.

### **Turkmenistan**

Considering the progress made in addressing deficiencies on the Core and Key Recommendations the Plenary meeting decided to remove Turkmenistan from the EAG follow-up process. Turkmenistan is recommended to present triennial follow-up report at the 29<sup>th</sup> Plenary meeting.

### **Republic of Uzbekistan**

The Plenary noted the significant progress made by the Republic of Uzbekistan in eliminating the existing deficiencies on Key and Core recommendations, in particular R.5, R.10, R.23, R.40.

At the same time, analysis of the progress made on implementation of the remaining key recommendations SR.I and SR.III does not allow for an upgrade of the ratings to level of LC or C.

The Republic of Uzbekistan is recommended to continue the work on improvement of the national AML/CFT system by eliminating the remaining deficiencies related to SR. I and SR. III and is requested to submit the next follow-up report at the 24<sup>th</sup> EAG Plenary meeting under the enhanced follow-up process.

### **Republic of Kazakhstan**

The Plenary noted the significant progress made by the Republic of Kazakhstan in eliminating the existing deficiencies on Key and Core Recommendations, in particular R.13, R.35, SR.II, SR. IV.

At the same time, analysis of the progress made on implementation of the remaining Key and Core Recommendations in particular R.1, R.5, R.23, SR.I and SR.III does not allow for an upgrade of the ratings to level of LC or C.

The Republic of Kazakhstan is recommended to continue the work on improvement of the national AML/CFT system by eliminating the remaining deficiencies related identified in MER and is requested to submit the next follow-up report at the 24<sup>th</sup> EAG Plenary meeting under the enhanced follow-up process.

### **Voluntary Tax Compliance (VTC) programs**

The Plenary considered the additional information of voluntary tax compliance program in the Republic of Kazakhstan. The analysis of the program, performed by the EAG Secretariat has not identified any non-compliance with the Four Basic Principles set out by FATF for national VTC programs.

The Secretariat will continue to monitor the situation in the Republic of Kazakhstan and conduct further review if any additional information is received.

## **F. Other**

The Joint EAG/ATC CIS Seminar on strengthening the cooperation between the financial intelligence units (FIU) and the law enforcement agencies in investigations related to combating the financing of terrorism took place in the course of the Plenary week, where the representatives of Azerbaijan, Armenia, Belarus, India, Kazakhstan, China, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Turkey, Uzbekistan, as well as CSTO and SCO participated.

24<sup>th</sup> EAG Plenary Meeting will take place in June 2016, in Astana, Republic of Kazakhstan.

The Plenary expressed gratitude to the International Training and Methodology Center for Financial Monitoring for significant contribution to the development of the regional AML/CFT regime and assistance to the EAG.