

## **25<sup>th</sup> EAG PLENARY MEETING**

*November 07-11, 2016*

*Republic of India, New Delhi*



### **ON THE RESULTS OF THE 25<sup>th</sup> EAG PLENARY MEETING**

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## The results of the 25<sup>th</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 25<sup>th</sup> Plenary meeting and meetings of Working Groups in New Delhi (Republic of India) from 07 to 11 November 2016.

The event was attended by delegations of EAG member states: Belarus, China, India, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan and Uzbekistan, as well as representatives of the EAG observer states and organizations: Armenia, France, Iran, Italy, Korea, Montenegro, Poland, Turkey, USA, FATF, Anti-Terrorist Center of the Commonwealth of Independent States (ATC CIS), Eurasian Development Bank (EDB), Eurasian Economic Commission (EEC), World Bank (WB), International Monetary Fund (IMF), the UN Office on Drugs and Crime (UNODC), Shanghai Cooperation Organisation (SCO) (represented by RATS SCO).

The EAG Chairman Mr. Yuri Chikhanchin (Russia) chaired the Plenary Session.

Mr. Shaktikanta Das, Secretary of Department of Economic Affairs of Ministry of Finance of the Republic of India addressed the EAG Plenary meeting.

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

The Plenary elected Mr. Chyngyz Kenenbaev (Kyrgyz Republic) as the Vice Chairman of EAG until November 2017.

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 to the rapid implementation of the relevant UN Security Council Resolutions.

The Plenary meeting decided to remove Republic of Belarus from the EAG follow-up process, as well as from the EAG monitoring procedure under FATF Terrorist Financing Fact Finding Initiative.

The Plenary approved: typology reports “Money laundering of activities of financial pyramids”, “Typology of corruption offenses and money laundering”, “Typology of illegal expatriation of assets from credit institutions”; result of the research report “Links between counterfeiting and terrorism financing”, Methodological recommendations on terrorist and extremist listing and delisting mechanism and assets freezing (blocking) mechanism of specified entities.

The Plenary optimized the working groups and approved: mandate of the Working Group on Mutual Evaluations and Legal Issues (WGEL), mandate of the Working Group on Typologies and the Countering the Financing of Terrorism and Crime (WGTYP), WGTYP Action Plan for 2017 and candidates for co-chairs of the WGTYP; as well as approved WGEL, WGTA, WGTYP and WGCF reports; the Action Plan and Schedule of the EAG activities for 2017.

The Plenary meeting approved the EAG Secretariat activity report for 2016.

### C. *Future Activities of the EAG*

The Plenary meeting highlighted the importance of the work being conducted on preparation of EAG member-states for the 2<sup>nd</sup> round of mutual evaluations and carrying out awareness-raising seminars on best practices on implementation of AML/CFT international standards.

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

The Protocol on cooperation between the EAG and Council of the Heads of Financial Intelligence Units of the Commonwealth of Independent States was signed as part of expanding cooperation with international and regional organizations.

**E. EAG Member States AML/CFT Status****Republic of Belarus**

The Plenary notes the high political will of the Republic of Belarus and the significant progress made by the Republic of Belarus in eliminating the existing deficiencies on Special Recommendation III, which may be rated as “Largely compliant”.

However, the analysis of the progress on the Special Recommendation V (International Cooperation) does not allow concluding on achievement of the level “Largely compliant”.

Considering the progress made on addressing the deficiencies on Key and Core recommendations, as well as taking into account the progress made on the majority of other recommendations, the Plenary has taken the decision to remove the Republic of Belarus from the EAG follow-up process.

**Russian Federation**

In the framework of the first Triennial follow-up report, Russian Federation has presented the information on the key steps taken for the development of the national AML/CFT system of Russia since the exit from the FATF/EAG follow-up procedure in October 2013. This is primarily aimed to increase the level of compliance with 2012 FATF recommendations. Russia also demonstrated the practical examples of specific work in the AML/CFT field to demonstrate the effectiveness of these norms.

**China, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan** provided information on the steps taken to the development of the national AML/CFT legislation and conducting of the National Risk Assessments, which clearly demonstrates the ongoing efforts to improve their anti-money laundering systems with a focus on the issues of effectiveness.

**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 up until the accomplishment of the VTC program in December 2016.

**F. Other**

During of the Plenary Week Seminar on the Review of the first Mutual Evaluation Reports of FATF/FSRB/IMF: widespread deficiencies and best practices was conducted. In the course of the seminar, FATF, UNODC and EAG experts delivered their experience in this topic.

The Plenary expressed gratitude to the Republic of India for the warm hospitality and excellent organization of the 25<sup>th</sup> EAG Plenary Meeting and Meeting of the Working groups.

The 26<sup>th</sup> EAG Plenary Meeting will take place in May 2017, in Bishkek, Kyrgyz Republic.