

COLUMN OF THE EAG CHAIRMAN



Dear Colleagues!

In 2022-2023, the EAG effectively fulfilled its tasks with the support of the FATF and the Global Network. We were able to achieve key workplan items, such as the regional ML/TF risk assessment, the completion of the second round of mutual evaluations, the establishment of the Single Technical Assistance Coordination Information System, the launch of a project to improve risk assessment and the application of a risk-based approach to the supervision of NPOs, the launch of a mechanism to monitor the operational environment in Member States in relation to emerging risks, and the organization of parliamentary fora.

The priorities of the Russian Presidency for the coming biennium under the EAG Strategy 2024-2028 include preparing Member States for mutual evaluations, strengthening co-operation with the FATF and FSRBs, countering the use of virtual assets for criminal purposes, countering terrorist financing, AML/CFT training and developing public-private partnerships.

In our activities we should aim at greater involvement of all participants of the national anti-money laundering systems in the EAG activities: representatives of all branches of government, political bodies, private sector of the Member States. We are focused on the wide use of such formats of interaction as the International Financial Security Olympiad, Joint Forum of representatives of supervisory bodies and the International Compliance Council, AML/CFT Forum. We should make sure that each EAG activity - research, project, forum - brings real benefit to our countries.

The implementation of the priorities of the Russian presidency will require a certain reconfiguration of the EAG activities in terms of assessing the results achieved, their benefits for concrete state bodies and private sector entities, as well as other tangible results in terms of decriminalisation of national economies. All the necessary resources and expertise for this purpose are available in the Member States and the Secretariat. We count on the most active participation of development partners in our activities.

**EAG Chairman**  
**Yury Chikhanchin**

## Results of the 39<sup>th</sup> EAG Plenary meeting

*The meetings of the EAG Working Groups and the 39<sup>th</sup> 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. Yury 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.

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

The 3<sup>rd</sup> Forum of the Eurasian Group on AML/CFT page 2

Mutual evaluation report of Turkmenistan has been published on the EAG website page 3

The second Donors' Meeting was held in the Kyrgyz Republic page 4

Training on the use of the Single technical assistance coordination information system (EAG STACS) page 4

Mutual evaluation report of the Republic of Kazakhstan has been published on the EAG website page 4

Follow-up report of the Republic of Uzbekistan has been published on the EAG website page 4

EAG Secretariat participated in the First CIS Conference on Combating Terrorism and Extremism page 5

Training course on FATF Standards page 6

The second EAG contest among financial institutions page 6

Regional conference: "AML/CFT and New Technologies: New Payment Methods, Virtual Assets and Social Media" page 6

The Ninth International Scientific and Practical Conference of SCO RATS page 7

Regional Consultation "Countering the Use of Cryptocurrencies for Terrorist Financing" page 7

Workshop for the Supervisory Authorities of the EAG Member States page 8

65<sup>th</sup> MONEYVAL plenary meeting page 8

The Joint Workshop of the CHFIU/ATC CIS/ITMCFM page 8





and increasing their level of compliance with the FATF Standards through improved technical assistance (TA) and its coordination; conducting the 3<sup>rd</sup> 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 2<sup>nd</sup> Round of EAG Mutual Evaluations, the Plenary heard the Russian Federation's 1<sup>st</sup> Follow-Up Report and the Kyrgyz Republic's 5<sup>th</sup> Follow-Up Report and approved the reports with revised ratings. In the framework of the 40<sup>th</sup> 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 40<sup>th</sup> 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.

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 10<sup>th</sup> 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 2<sup>nd</sup> 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 3<sup>rd</sup> 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 3<sup>rd</sup> 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 39<sup>th</sup> EAG Plenary Meeting and working group meetings, as well as for the high level of organization.

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

## The 3<sup>rd</sup> Forum of the Eurasian Group on AML/CFT

From 4 to 5 September 2023, the 3<sup>rd</sup> Forum of the Eurasian Group on AML/CFT was held on Lake Issyk-Kul, Kyrgyz Republic.



The Forum was organised by the EAG Secretariat, the State Financial Intelligence Service under the Ministry of Finance of the Kyrgyz Republic, the OSCE Programme Office in Bishkek and was held in a hybrid format.

The main discussion points of this year's Forum were to ensure the effective detection, investigation and prosecution of criminal cases in the area of laundering of proceeds of crime derived from corruption offences and offences against the interests of the public service, as well as offences involving virtual assets, which continues to be pressing issues in Member States.

The Forum participants also reviewed the latest amendments to the FATF Standards on confiscation, provisional measures and mutual legal assistance, and exchanged experience in enhancing the effectiveness of national anti-money laundering systems in asset recovery.

The Forum included a joint workshop on countering the use of virtual assets and terrorist financing, jointly organised by Rosfinmonitoring (Russian Federation) and the United Nations Office of Counter-Terrorism (UNOCT).

Kanat Asangulov, Chairman of the SFIS, Alexey Rogov, Head of the OSCE Programme Office in Bishkek, Gabit Sadyrbekov, First Deputy Chairman of the Financial Monitoring Agency of the Republic of Kazakhstan, and Sergey Teterukov, EAG Executive Secretary, addressed the Forum participants with welcoming speeches.

The Forum was attended by more than 50 participants, with reports and presentations made by 27 speakers, including representatives of the FIU, law enforcement agencies of EAG member states, as well as a number of invited international experts in the field of AML/CFT/CPF.

During the sessions of the Forum, the participants shared their experience and exchanged views on the issues and peculiarities of detection and investigation of corruption related cases, national and international co-operation, demonstrated the FIU's capabilities in combating money laundering from corruption offences. The Forum participants were informed about the draft recommendations on countering the use of virtual assets for terrorist financing in the EAG member states (UNOCT project led by an expert from the Russian Federation).

Following the results of the Forum, the delegations of EAG member states noted the holding of the Forum of the Eurasian Group on AML/CFT and its results as a significant contribution to further strengthening of the national AML/CFT/CPF systems and increasing the capacity of national experts, as well as stressed on the usefulness and further necessity of conducting targeted activities for the subjects of the national AML/CFT/CPF systems within the framework of the EAG typologies projects.

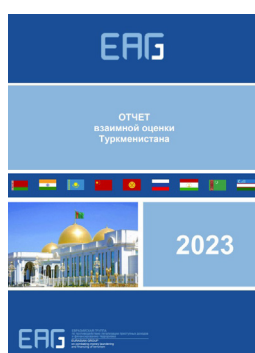
The EAG Secretariat expresses its gratitude to all Forum participants, moderators and speakers for their active participation and informative discussion, as well as to the State Financial Intelligence Service under the Ministry of Finance of the Kyrgyz Republic and the OSCE Programme Office in Bishkek for the high level of organisation of the Forum.

The next IV Forum is scheduled to be held in 2024.

## Mutual evaluation report of Turkmenistan has been published on the EAG website

The 38<sup>th</sup> Plenary Meeting approved the report and the executive summary of the mutual evaluation of Turkmenistan within the framework of the EAG second round of mutual evaluations.

Turkmenistan has a strong legal framework for combating money laundering and terrorist financing, and has demonstrated a substantial level of effectiveness in implementing the national AML/CFT/CPF policy, understanding the existing ML/TF risks, confiscating



proceeds of crime in criminal proceedings, the country has an effective system for preventing and combating TF, and has the necessary legal and institutional mechanisms for international cooperation.

In order for Turkmenistan to make further progress in improving its effectiveness, it is recommended that the country pay more attention to ensuring a common understanding of ML/TF risks among all participants in Turkmenistan's anti-money laundering system, strengthening the work of relevant authorities in analysing STRs and information exchange, as well as prioritising investigations of predicate offences and ML. Turkmenistan also needs to improve risk-based

supervision, taking into account the identified ML/TF risks and the results of the national risk assessment, further improve the legal and regulatory framework and its implementation practices to ensure full compliance with the ratified international AML/CFT/CPF conventions, as well as pay due attention to ensuring comprehensive statistical data management, improving the TFS mechanism and practices, in order to ensure the application of TFS without delay.

The Turkmenistan Mutual Evaluation Report has undergone a quality and consistency review in the FATF global network and is published on the EAG website.



## The second Donors' Meeting was held in the Kyrgyz Republic

On September 6, 2023 the second Meeting with donors and technical assistance providers operating in the EAG region was held in the Kyrgyz Republic. This event was organized within the framework of the project on coordination of technical assistance for the Kyrgyz Republic, which started in September 2021.



The meeting in hybrid format was attended by representatives of the State Financial Intelligence Service under the Ministry of Finance of the Kyrgyz Republic, EAG Secretariat, Asian Development Bank, UN Counter-Terrorism Office, International Training and Methodological Center for Financial Monitoring of the Russian Federation, International Finance Corporation, UN Office on Drugs and Crime, Egmont Centre of FIU Excellence and Leadership, Islamic Development Bank, Financial Services Volunteer Corps, Eurasian Development Bank, United Arab Emirates, Organization for Security and Cooperation in Europe.

During the event, an analysis of the assistance provided since the first meeting in April 2022 was

presented. The EAG project plan reflects the technical assistance needs of the country identified through mutual evaluation. In this regard, targeted assistance allowed donors and the country to achieve tangible results of the work done in the form of upgraded compliance rating of compliance with a number of FATF standards.

Development partners actively participated in the discussion and made suggestions on the structure of the plan, as well as on improving interaction between all stakeholders.

As a result of the meeting, potential donors for a number of items in the plan were identified and next steps for their implementation were agreed upon.

## Training on the use of the Single technical assistance coordination information system (EAG STACS)



On September 15, 2023, the EAG Secretariat held an online training on the use of the Single technical assistance coordination information system (STACS).

The event was attended by the representatives of EAG Member States and development partners. The training focused on theoretical information and clarification of the practical work with the STACS.

## Mutual evaluation report of the Republic of Kazakhstan has been published on the EAG website

The 38<sup>th</sup> Plenary meeting approved the report and executive summary of the mutual evaluation of the Republic of Kazakhstan within the framework of the second round of mutual evaluations of the EAG.



The Republic of Kazakhstan has achieved a substantial level of effectiveness in identifying, understanding and mitigating risks, as well as coordination and cooperation. There is also a substantial level of FIU activity and use of financial intelligence to detect, investigate and prevent, as well as prosecute ML/TF and predicate offenses. The country has built an effective CFT system based on preventive measures and timely application of the TFS mechanism. Some progress has been made in applying proportionate and targeted measures to monitor the activities of NPOs vulnerable to TF. Improvements are required in terms of ensuring transparency of legal entities and arrangements, as well as in confiscation measures.

The Mutual Evaluation Report of the Republic of Kazakhstan has passed the quality and compliance procedure in the FATF global network and published on the EAG website.

## Follow-up report of the Republic of Uzbekistan has been published on the EAG website

The Republic of Uzbekistan has demonstrated significant progress in addressing the technical compliance deficiencies identified in the Mutual Evaluation Report 2022. The ratings for Recommendations 6, 7 and 22 were revised and upgraded from Partial Compliant to Largely Compliant. The follow-up report was reviewed and approved at the 38<sup>th</sup> EAG Plenary. The Republic of Uzbekistan has been transferred to the EAG regular monitoring.

The follow-up report of Uzbekistan passed the FATF Quality and Compliance procedure and has been published in the "Mutual evaluation reports" section of the EAG website for access to a wide audience.





## EAG Secretariat participated in the First CIS Conference on Combating Terrorism and Extremism

*An International Conference on Countering Terrorism and Extremism was held under the auspices of the Kyrgyz Republic presidency in the Commonwealth of Independent States in Bishkek on September 20, 2023. The event was co-organized by the State Committee of National Security of the Kyrgyz Republic and CIS Anti-Terrorism Center.*



The Conference was attended by the heads of competent authorities of 8 CIS member-states (Azerbaijan Republic, Republic of Armenia, Republic of Belarus, Republic of Kazakhstan, Kyrgyz Republic, Russian Federation, Republic of Tajikistan, Republic of Uzbekistan); competent authorities of 4 SCO member-states which are not part of the CIS (Republic of India, Islamic Republic of Iran, People's Republic of China, Islamic Republic of Pakistan) and SCO observer states (Mongolia); working structures of 10 constituent and branch cooperation bodies of the CIS; executives bodies of 8 international organizations; and 3 scientific research and educational institutions.

During the Conference the participants:

- exchanged national best practices in countering terrorism and extremism, discussed the state of scientific support to the mentioned efforts and international counter-terrorism cooperation;
- reviewed trends of formulation and development of the terrorist threats in the CIS area, noted their solicitousness for the situation in Afghanistan and some Middle East states which creates hotbeds of tension in close vicinity of the Commonwealth borders, expressed concern over rising risks of penetration of terrorist-fighters into the territory of the Central Asian states, including through migration channels and streams of refugees, leakage of weapons and ammunitions from the armed conflict zones, as well as terrorist use of advanced information and technical advantages, including artificial intelligence technologies, unmanned and robotic systems;
- reiterated firm stance on further development and strengthening of multilateral counter-terrorism cooperation having noted a core role of the United Nations in coordination of the international efforts to counter terrorism and extremism, draw attention to the necessary systematic implementation of practical events envisaged by the UN and CIS anti-terrorist programs, use of wider capacity of the regional structures, including CIS, SCO, EAG, CSTO, CICA, CARICC in the fight on terrorism and extremism.

Taking into consideration the held discussion, the Conference participants noted the importance of continuing work aimed at harmonizing the legislation of the CIS member states in the field of combating terrorism, increasing the level of cooperation between the competent authorities and international organizations, including in the field of information exchange.

During the meeting the report of the EAG Secretariat on combating the financing of terrorism in the Eurasian region, including the use of modern technologies, was presented to the participants.



## Training course on FATF Standards

On September 25-29 the EAG Secretariat conducted a training course on FATF Standards for EAG Member States. This event took place in the physical format and brought together practitioners in the field of AML/CFT from the Republic of India, the Republic of Kazakhstan, the People's Republic of China, the Kyrgyz Republic, the Russian Federation, Turkmenistan and the Republic of Uzbekistan.



The training course included theoretical information and practical exercises. Participants were able to demonstrate not only their expert knowledge, but also good teamwork within multidisciplinary and multinational teams.

The workshop also included a roundtable discussion on asset confiscation and recovery, where participants shared best practices and experiences.

## The second EAG contest among financial institutions

On October 3, 2023 on the margins of the III International Olympiad on Financial Security the EAG Secretariat organized the second Eurasian Group Contest among financial institutions of the EAG member states. This year the contest was attended by leading banks, payment organizations, as well as crypto exchanges of Belarus, China, India, Kazakhstan, Russia, Tajikistan, Turkmenistan and Uzbekistan.



Case studies were presented of financial investigations by compliance specialists of these institutions related to

- tax evasion in taxi sphere;
- illegal trade of hair and money laundering;
- ML/TF risks in the client's activities using cryptocurrency transactions;
- underground money laundering involving cryptocurrencies;
- use of acquiring for illegal activities;
- illegal transactions on purchase and sale of foreign currency;
- use of mortgage loans and credit funds of commercial banks for money laundering.

Based on the voting results of the contest committee, a payment organization from China became the winner of the contest, while cryptocurrency exchanges from Kazakhstan and a bank from Russia became the laureates. The audience award was given to a bank from India.

It should be reminded that the contest is intended to promote exchange of experience and best practices of financial monitoring, development of private-public partnership formats in the sphere of combating money laundering and terrorism financing.

### Regional conference: “AML/CFT and New Technologies: New Payment Methods, Virtual Assets and Social Media”

On September 25-29 of this year, the MENAFATF Regional conference on "AML/CFT and New Technologies: New Payment Methods, Virtual Assets and Social Media" was held. During the event the FATF standards on virtual assets (VA) and VA service providers (VASPs), dynamics of implementation of Recommendation 15 were considered. Additionally, the issues related to the regulation of VA and VASPs, risk assessment and development of measures to mitigate risks, specifics of investigations of illegal use of VA were discussed.



The EAG Secretariat delivered a presentation at the event on risk assessment of the VA and VASPs sector and its interconnection with possible approaches to the regulation of activities related to virtual assets. The EAG Secretariat also acted as a moderator and co-moderator of the relevant panel sessions.

Following the results of the conference recommendations were developed to continue joint work on combating illegal financial transactions with VA and implementation of FATF Standards in this area.



# The Ninth International Scientific and Practical Conference of SCO RATS

On November 7-8, 2023, the Ninth International Scientific and Practical Conference of the SCO RATS "Trust, Cooperation and Professionalism as a Guarantee of a Secure Future" was held in Tashkent (Republic of Uzbekistan).



The conference was attended by representatives of competent authorities of the SCO member states; SCO observer states; SCO dialogue partner states; SCO Secretariat; dedicated structures of international organizations, including EAG, as well as research institutions.

During the conference its participants:

- discussed current trends in the transformation of global challenges and threats to security, possible forms and ways of international anti-terrorist cooperation, and factors influencing the dynamics of the situation in the region;
- focused attention on new methods and ways of action by terrorist and extremist organizations and the increasing use by them of unmanned aerial vehicles and artificial intelligence technologies to carry out terrorist activities;
- exchanged national experience in countering terrorism and extremism in the SCO area, as well as best practices in countering the use of achievements in information and communication technologies for terrorist and extremist purposes;
- stressed the relevance of broad involvement of civil society institutions in work to prevent and avoid the spread of the ideology of terrorism and extremism and to rehabilitate victims of terrorist and extremist organizations;

- emphasized the problem of combating money laundering and terrorist financing, exchanged information on new forms and methods of terrorist financing, including the use of virtual assets, crypto pyramids, modern digital payment services, at the expense of funds from illicit trafficking in narcotic substances, etc;
- noted the transformation of the actions of international terrorist organizations and the emergence of new challenges and threats associated with the aggravation of the security situation in a number of regions of the world;
- noted the need to consolidate international efforts to counter terrorism and extremism in all its forms and manifestations, and emphasized the important role of international and regional anti-terrorist organizations in strengthening international cooperation in this area.

During the meeting the report of the EAG Secretariat on combating the financing of terrorism in the Eurasian region, including the use of modern technologies, was presented to the participants.

## Regional Consultation "Countering the Use of Cryptocurrencies for Terrorist Financing"

On November 13-14<sup>th</sup>, 2023 the Regional Consultation on "Countering the Use of Cryptocurrencies to Finance Terrorism" was held in Tashkent (Uzbekistan). The Consultation was organized within the framework of the Virtual Assets Initiative under the leadership of UNOCT/UNCCT, EAG and Rosfinmonitoring and is a part of the activities aimed at preparing Recommendations on Virtual Assets and Terrorist Financing for EAG Member States.



EAG Member States and guest speakers represented by the Executive Directorate of the UN Counter-Terrorism Committee, the UN Regional Centre for Preventive Diplomacy for Central Asia, the OSCE, the Interpol Innovation Centre, the SCO RATS and the CIS ATC exchanged views on the risks associated with the misuse of virtual assets, including for terrorist financing, as well as measures to minimize them, taking into account regional specifics.

The Consultation identified common challenges faced by the public and private sectors, including the tracking of anonymous cryptoassets for investigative purposes and virtual assets recovery. The Member States noted the need for a flexible approach in introducing changes to existing legislation and practices necessary for immediate response to the risks of using virtual assets in illegal activities, as well as the need to improve

the mechanisms of inter-agency and international cooperation.

The EAG Secretariat once again emphasized the importance of full implementation of the requirements of the FATF Standards on virtual assets in the national legislation.



## Workshop for the Supervisory Authorities of the EAG Member States

A workshop for the supervisory authorities of the EAG Member States was held in Minsk (Republic of Belarus) on 23 November 2002. The representatives of the authorities supervising the activities of financial and non-financial institutions, and employees of sectoral associations and unions (self-regulatory bodies), as well as researchers from higher education institutions participating in the International Network Institute attended the workshop.



Rosfinmonitoring and the Bank of Russia, the Ministry of Taxes and Fees and the Ministry of Justice of the Republic of Belarus, the Department of Precious Metals and Stones of the Kyrgyz Republic shared their experience in conducting ML/TF risk assessments.

The experts from the EAG Secretariat presented the application of the recommended approaches to sectoral risk assessments in terms of information collection and analysis, and the role and importance of statistical data and expert judgement, and the formation and use of the results. In addition, they shared an overview of the results of the assessment of the supervisory effectiveness in general in the world and in the EAG Member States in particular.

Representatives of the higher education institutions participating in the International Network Institute focused on specific aspects of teaching students the principles of ML/TF risk assessment and the practical application of the knowledge acquired.

## 65<sup>th</sup> MONEYVAL plenary meeting

The EAG Secretariat participated in the 65th plenary session of the Council of Europe's Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), which took place on 22-26 May 2023.



The event was opened by Chair of the MONEYVAL Committee, Ms El bieta Frankow-Ja kiewicz, who recalled the adoption of the MONEYVAL Strategic Priorities 2023-2027, following the High-level Ministerial Meeting on 25 April 2023.

The Plenary discussed and adopted the mutual evaluation reports of North Macedonia and Romania, as well as the follow-up reports of Albania and Slovenia. In addition, the Plenary discussed and adopted the typologies report "Money laundering risks in the world of virtual assets and their service providers".

The EAG Secretariat informed the Plenary about the recent initiatives of the Group in the field of AML/CFT. In particular, there were presented projects on coordination of technical assistance, methodology and publicly available report on results of regional risk assessment, results of typological projects "ML obtained from tax crimes and crimes in the sphere of entrepreneurship", "ML obtained from cybercrime", as well as collection of cases of the first EAG Contest among banks for the best financial analysis.

The next plenary meeting of MONEYVAL will take place in December 2023.

## The Joint Workshop of the CHFIU/ATC CIS/ITMCFM

On November 21-22 in Minsk (Republic of Belarus) a two-day joint workshop "Current Trends in the Global AML/CFT System" was held for representatives of law enforcement agencies and FIUs of the CHFIU member states.



The event, organized in-person, was attended by representatives of the CHFIU Secretariat, CIS Executive Committee, CIS ATC, EAG Secretariat, ITMCFM, experts of financial intelligence units, government and law enforcement agencies and representatives of the private sector from Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan.

The workshop participants considered:

- current trends in the AML/CFT system, including in the area of virtual assets;
- practices of identifying virtual assets used in illegal activities;
- specifics of terrorist financing risk assessment using Islamic financial instruments;
- experience in implementing Islamic banking in the Russian Federation.

The EAG Secretariat shared with the participants the analysis of Islamic finance issues in the global AML/CFT system. The principles of Islamic banking (in comparison with classical banking) were considered, the main tendencies of Islamic finance development in the world were demonstrated, and also the specifics of application of FATF Standards to Islamic financial instruments on the basis of experience of mutual evaluations were analyzed.