AML/CTF STRATEGIC PRIORITIES
MARIANO FEDERICI, IMF
AML/CTF
Strategic Priorities

Financial Integrity Group
International Monetary Fund
National Strategies

- IMF Supports the development of AML/CTF national strategies on the region
- Peru 2011
- Uruguay 2012
- Paraguay 2013
- Chile 2013
- Currently is working on the national strategies for Bolivia and Costa Rica
- Started process for developing the National Strategy of Panama
National Strategies

- Consolidate the high-level political commitment
- Complementary of the National ML/TF Risk Diagnostics (or promote them)
- Contribute to the organization of the state effort rationally and efficiently (allowing > effectiveness)
- Provide guarantee of rationality and proportionality in the use of state power and improve transparency
- Promote the enacting of pending reforms
- Contribute to the strengthening of inter-institutional coordination and compliance. FATF Rec. 2
- They are a tool for education and awareness of the AML/CFT national policy
Strategic Priorities

WHAT ARE THE MAIN STRATEGIC PRIORITIES FREQUENTLY IDENTIFIED ON THE NATIONAL STRATEGIES DEVELOPED ON THE REGION?
Strategic Priorities Components

- Prevention
- Detection/Intelligence
- Investigation/Criminal Justice

• CROSS-CUTTING TOPICS
Strategic Priorities
Cross-cutting Topics

- Harmonization of the AML/CTF Legal Framework
- Understanding the risks of ML/TF nationwide
- Strengthening inter-institutional coordination
- Creating instances of ongoing coordination
- Analysis of the impact of corruption on the effectiveness of the AML/CTF system
- Analysis of the incidence of informality in the effectiveness of the AML/CTF system
- Capacity building for statistical collection and integrity on statistical management
Incorporación del enfoque basado en riesgos (EBR) a la prevención ALA/CFT

- Fortalecimiento de la regulación ALA/CFT con un EBR
- Fortalecimiento de la supervisión ALA/CFT con un EBR
- Fortalecimiento del cumplimiento ALA/CFT por parte de los sujetos obligados con un EBR
Strategic Priorities
Prevention

Strategic Strengthening of the AML/CTF regulation

- Strengthening the AML/CTF regulation for DNFBPs
- Strengthening the AML/CTF regulation for other risk sectors identified
  - Purchases of all assets subject of registry
  - Foreign trade activities
  - Non Profits, NGOs, civil associations
  - State Contractors
  - Free trade zones
- Implementation of the sanction regime
Strategic Priorities
Prevention

- Training, awareness raising and communication/dissemination
  - Strengthening the AML/CFT training for regulators, supervisors and reporting entities
  - Strengthening awareness about the roles of key actors in the AML/CTF system and the public in general
  - Strengthening the communication/dissemination of risks, strategic actions, effectiveness and expectations
Strategic Priorities
Detection and Intelligence

- Strengthening the operational and analytical capabilities of the FIU
  - Strategic Analysis Capacity building, and strengthening of the operational approach to areas with high risk
  - Increase direct access to databases/sources of information
  - Improve the technological capabilities
  - Improve the feedback to reporting entities
Strategic Priorities
Detection and Intelligence

To improve coordination and cooperation between FIUs and other public entities;

– Strengthening cooperation with financial supervisors

– Assignment and transfer of supervisory responsibilities to other entities

– Improving the institutional and operational capacity of public registry

– Strengthening cooperation with prosecutors and criminal investigators

– Strengthening international cooperation in financial intelligence
Strategic Priorities
Detection and Intelligence

- Strengthening border control over cash and negotiable bearer instruments
  - Improvement of border risk understanding
  - Strengthening capacities of customs and intervention protocols
  - Strengthening inter-institutional coordination in the borders
  - Strengthening international cooperation between neighboring countries
Strategic Priorities
Detection and Intelligence

To improve the transparency regime for legal persons and legal structures
– Strengthening the requirements for the identification of final beneficiaries
– To improve control of bearer shares (restrictions on use or emission)
– Strengthening the control of foreign companies
– Improvements in the control of trusts (registry obligations)
Strategic Priorities
Investigation/Criminal Justice

- Adaptation of the Criminal Procedure for complex financial investigations
  - Adaptation of the terms for the preliminary investigation of financial/complex crimes
  - Mandatory parallel financial investigations
  - To improve access of prosecutors and investigators to information protected by secrecy
  - Incorporating a wide range of special investigative techniques
Strategic Priorities
Investigation/Criminal Justice

- Strengthening inter-institutional coordination on financial/complex investigations
  - Formation of multidisciplinary teams for conducting financial/complex investigations
  - Participation of FIU in preliminary investigations
  - Development of protocols and procedures with a defined description of roles
  - Coordination of interpretation criteria between prosecutors and judges
Strategic Priorities
Investigation/Criminal Justice

Specialization of investigators and judges in topics related with AML/CFT/organized crime

- Creating specialized investigation units in police forces
- Creating special prosecutors units
- Creating specialized courts
Strategic Priorities
Investigation/Criminal Justice

- Strengthening institutional capacities, training and resources
  - Creation/strengthening of units of experts in financial investigations
  - Creation / strengthening of a registry of criminal records and criminal statistics at the national level
  - Increase and stabilization of human, physical, and technological resources in police units, prosecution offices and specialized courts
  - Strengthening training of police units, prosecution offices and specialized courts
Strategic Priorities
Investigation/Criminal Justice

- Strengthening the capacity of the state to deprive criminals of their assets
  - Promoting the use of precautionary measures of seizure/freezing and seizures/forfeitures (including assets of equivalent value)
  - Creation/strengthening mechanisms of custody, management or disposition of seized property, seized/confiscated;
  - Development of standards and procedures for forfeiture
Strategic Priorities
Investigation/Criminal Justice

- Strengthening international judicial cooperation
  - Establishing strategic priorities for international cooperation
  - Strengthening links with priority countries through the signing of treaties and MOUs
  - Improvement and clarification of national requirements to be observed by foreign jurisdictions
  - Strengthening measures to repatriate and share seized / confiscated assets in joint operations
THANKS

Financial Integrity Group
International Monetary Fund