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INTER-AMERICAN DRUG ABUSE CONTROL COMMISSION

cicad

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**GROUP OF EXPERTS ON MONEY LAUNDERING WORKING PLAN  
PERIOD 2000-2001**

(Information document presented by the Executive Secretariat)

(Item 8 of the Agenda)

## **EXECUTIVE SECRETARIAT INFORMATIVE NOTE**

### **Group of Experts Working Plan** **Period 2000-2001**

The Executive Secretariat presents this document as an introduction to item 8 of the Draft Agenda, "Consideration of the Convocation of CICAD Expert Groups for 1999/2000 and election of their Chairmen", related to the activities of the CICAD's Group of Experts to Control Money Laundering.

After considering this topic during the last meeting held in Washington, D.C., in July, 1999, the Experts agreed to the following:

*In light of the Commission's new guidelines for the operation of Expert Groups, including the presentation of a work plan as an element for the consideration of the Commission as to whether further meetings should be held, it was also agreed that the delegates would present ideas for a proposed work plan to the Secretariat by September 15, 1999 so that this could be put to the Commission at its 26th Regular Session in October 1999.*

The Governments of Argentina, Colombia, Mexico and the United States submitted their comments and contributions regarding this matter. The countries' reports are compiled in the document "Future Working Plan of CICAD's Group of Experts to Control Money Laundering, contributions of Argentina, Colombia, Mexico and United States."

ARGENTINA

**TOPICS PROPOSED FOR INCLUSION IN NEXT YEAR'S WORK PLAN FOR THE  
GROUP OF EXPERTS**

1. Collaboration with the new Governmental Experts Group (GEG) responsible for dealing with the Multilateral Evaluation Mechanism, if necessary
2. Study of new mechanisms and instruments for the exchange, among countries, of information related to money laundering investigations
3. The study of typologies, with the inclusion of presentations by private sector representatives. The following topics, at least, should be addressed:
  - The financial sector, specifically, banking, and the foreign exchange and stock markets
  - Insurance sector
  - Services sector generally
  - Professional groups, such as notaries, accountants, and administrators etc.
  - Perspective from internal and external audits
4. Study of mechanisms for cooperation and exchange with other regional and subregional forums that study the subject. Conduct of joint activities, exchange of information, and cooperation
5. Study of legal advances worldwide as signposts.
6. Analysis of economic indices compiled by the member states, so that recommendations target sectors in which controls need strengthening, e.g., capital markets, foreign exchange markets, the services sector, the export sector, etc.
7. Coordination of training tasks.

## **COLOMBIA**

### **Comments of Colombia on the Functioning of the Group of Experts to Control Money Laundering of the Inter-American Drug Abuse Control Commission (CICAD)**

Colombia agrees that the Group and the Groups of Experts, in general, should meet once a year by prior convocation to address the specific issues that the Commission assigns for them to examine.

Furthermore, Colombia considers that as part of its future work plan the Group should tackle the subject of typologies or modalities of money laundering from a technical perspective, with a view to defining profiles and identifying the main case scenarios and, on that basis, project classifications and trends.

The results of this exercise should be set down in a manual that can be updated and takes as examples important cases that have occurred in the countries of the hemisphere.

Additionally, as an aid to the progress of the countries of the hemisphere in creating financial intelligence units (FIUs), a manual on the functioning of these units ought to be prepared. This manual should both cover the administrative and operational structure of the Unit, and define the profile of the officials to staff it. The above would be a valuable contribution for the countries currently working on the design and development of such units.

## MEXICO

The following items are proposed for inclusion in the work program of the upcoming meeting of the CICAD Group of Experts on Money Laundering:

1. Presentation of New Typologies
  - a. Utilization of electronic banking and smart cards
  - b. New offenses which generate illicit proceeds that can be laundered
  
2. Establishment of a Financial Intelligence Unit (FIU)
  - a. Legal instruments for its creation
  - b. Consultation with the obligated parties
  - c. Problem areas and solutions to establishing the FIU
  - d. Practical utility of the FIU
  - e. Essential legal instruments for exchanging information through the FIU
  - f. Informing the obligated parties of the usefulness of the reports and sanctions for failing to report
  - g. Results
  
- 3.** Draft Manual for Exchanging Information among the member countries of CICAD:
  - a. Background
  - b. Existing national and international legislation that permits and facilitates the exchange of information
  - c. Competent authorities for conducting the exchange
  - d. Criteria for requests
  - e. Types of exchange
    - Specific information
    - Routine information
    - Self-generated information
  - f. Transmittal procedures

- g. Simultaneous or coordinated investigations
- h. Legal requirements of the documents

Sincerely yours,

The Buenos Aires Communiqué's Plan of Action calls for substantial support from the OAS. In addition to specific taskings there are several elements of the Plan of Action where the Expert Group can facilitate implementation. Specifically, the Expert Group can play a significant role in implementation of the following elements of the Plan of Action:

- Paragraph D.5 – as a forum for information exchange the Expert Group can analyze anti-money laundering norms, evaluate evolving technologies and make recommendations for action. During the coming year the Experts Group should adopt a more robust and focused Typologies program to evaluate trends in money laundering, identify methods used by governments to address threats identified, and make recommendations for a coordinated response.
- Paragraph E.5 – the Expert Group can monitor and provide guidance to the CICAD Secretariat's work to "... establish training course for bankers, regulators, police, prosecutors and judicial officials to improve their knowledge of money laundering and the means to prevent it." During the coming year the Expert Group should oversee implementation of the IDB training program, and provide substantive guidance on program development, particularly in the areas of course topics and curriculum. The Expert Group should also play a significant role in monitoring the effectiveness of the training program and suggesting improvements as the training develops.
- Paragraph F.1 – as a venue for international cooperation the Expert Group can continue monitoring progress and provide on-going assessment of the implementation of Buenos Aires Plan of Action. It can also provide a mechanism for members to communicate their successes and solicit help in overcoming barriers to adoption of certain elements of that Plan of Action. During the coming year the Expert Group should conduct cross country assessments to provide a forum for assessing specific areas of implementation of the Buenos Aires Plan of Action and attract assistance for members encountering barriers to implementation.