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Secretariat for Multidimensional Security

**XLV MEETING OF THE GROUP OF EXPERTS
FOR THE CONTROL OF MONEY LAUNDERING
October 4 and 5, 2018
Santa Cruz, Bolivia**

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FINAL REPORT

I. BACKGROUND

The Group of Experts for the Control of Money Laundering (GELAVEX) was created in 1990 in accordance with article 22 of the [Statute](#) of the Inter-American Drug Abuse Control Commission (CICAD) of the Organization of American States (OAS) and is therefore constituted as one of the advisory bodies of CICAD.

The GELAVEX is currently comprised of two Sub-Working Groups: the Sub-Working Group on International Cooperation and Forfeiture and the Sub-Working Group on Financial Intelligence Units (FIU) and Law Enforcement Agencies (LEA), whose activities are determined by strategic plans that define lines of action, and work plans specifying the concrete activities to be developed as per prior agreement. .

The draft Strategic Plan for the period 2018-2020 ([DTCO/LAVEX/doc.7/17](#)) was approved at the Sixty-second Regular Session of CICAD ([CICAD/doc.2363/17](#)) and serves as a guide for the activities to be developed by the Group in the 2018-2020 triennium.

In accordance with the approved 2017-2018 work plan, the Sub-Working Group on International Cooperation and Forfeiture will work on the following lines of action: a) A study on the liquidation or sale of seized assets: valuation for their proper destination; and b) identification of challenges that OAS member States face in terms of asset recovery: a diagnosis that will include confiscation laws and victims. The Sub-Working Group on Financial Intelligence Units and Law Enforcement Agencies will work on: a) A study on new AML / CFT typologies, including the use of virtual currencies; and b) A study on expert reports (experts) in AML / CFT cases.

A total of 16 Member States participated in this XLV GELAVEX Meeting: Bolivia, Brazil, Colombia, Costa Rica, Ecuador, El Salvador, United States of America, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic and Trinidad and Tobago.

The following participated as observers: Spain; the Caribbean Financial Action Task Force (CFATF); The Financial Action Task Force of Latin America (GAFILAT); the Asset Recovery Inter-Agency Network of the Caribbean (ARIN-Carib); and as a guest at this plenary, the International Union of Notaries (UINL).

II. MEMORANDUM

Inaugural Session

- i. The opening remarks were delivered by the **Chair of the Group of Experts for the Control of Money Laundering** of the Organization of the American States (OAS), **Dr. María Epifanía González, Minister Executive Secretary of the Secretariat for the Prevention of Money Laundering and Property (UIF-SEPRELAD)**. ([DDOT/LAVEX/doc.27/18](#)).

In her speech, Dr. González greeted everyone present, thanked the Delegation of Bolivia for the organization of the meeting and the Republic of Paraguay for the trust placed in the exercise of her mandate. Dr. González highlighted that the Sub- Working Group on Forfeiture and International Cooperation, co-coordinated by the delegations of Costa Rica and Paraguay and the BIDAL project, has fulfilled its mandate regarding the Study on Liquidation or sale of seized assets. She also thanked the Sub-Working Group on Financial Intelligence Units and Criminal Investigation Bodies, coordinated by the delegations of Chile, Bolivia and Paraguay, for their work on the “Study on new AML / CFT typologies, including the use of virtual currency”. Dr. González mentioned the tireless efforts to strengthen the institutional and personal capacities against national and transnational organized crime and that Paraguay is in a process of transition and adaptation of several aspects of its AML / CFT system. In closing, she expressed her gratitude to the OAS and CICAD, the BIDAL project and the SENABICO for their support of the working groups. She ended her remarks officially inaugurating the meeting, which had three main subjects to address: international cooperation, strengthening of FIUs and criminal investigation agencies, and the administration of forfeited assets.

- ii. Welcome words by **Dr. Mario Guillen Suarez, Minister of Economy and Public Finance and President of the National Council to combat the Legitimization of Illicit Profits and Financing of Terrorism.** ([DDOT/LAVEX/doc.29/18](#)).

In his speech, Dr. Mario Alberto Guillén Suarez, Minister of Economy and Public Finance, greeted all the delegates present at the plenary. He expressed the gratitude of Bolivia for the assumption of the chairmanship of the Group of Experts for the Control of Money Laundering - GELAVEX by its Financial Investigations Unit for the period 2018-2019. He noted that 10 years ago the Plurinational State of Bolivia was black-listed by the Financial Action Task Force - FATF and also excluded from the EGMONT Group. However, this began to change when President Morales assumed the presidency of the country 12 years ago. New strategies to address the challenges in combating transnational crime and other types of criminal activities were developed, such as the creation of the National Council to Combat the Legitimization of Illicit Profits and the Financing of Terrorism. In addition, he mentioned the importance of no longer being on the FATF grey list and being identified as a country effectively fighting against money laundering and financing of terrorism. Finally, he expressed his interest in the topics to be discussed in the other sessions of the meeting, especially the issue of virtual currencies, and closed by extending a welcome to all the participants.

- iii. Assumption of the Pro-Tempore Chairmanship of the Group of Experts for the Control of Money Laundering (GELAVEX) and remarks of **Dr. Ana Teresa Morales Olivera, Executive Director General of the Financial Investigations Unit (FIU) of Bolivia.** ([DDOT/LAVEX/doc.28/18](#)).

Ana Teresa Morales, Executive Director General of the Financial Investigations Unit of Bolivia greeted the authorities and heads of delegations and welcomed the delegates that were present. Dr. Morales reiterated the importance of the role of multilateral efforts to respond to the common problems of the Hemisphere, such as drug abuse, money laundering and other related crimes. She expressed pride in assuming the chair of this Group of Experts and her expectation that at the end of this plenary session, it would be possible to draft common working guidelines for GELAVEX for the next period.

iv. Presentation by Mr. **Carlos Romero Bonifaz, Minister of the Plurinational State of Bolivia and Member of the National Council to Combat the Legitimization of Illicit Profits and Financing of Terrorism.**

The Minister of Government of the Plurinational State of Bolivia, Mr. Carlos Romero Bonifaz, greeted the delegates and presented the philosophy and fundamental characteristics of the country's strategy to combat drug trafficking, particularly with regard to the Regime for the Administration of Seized Assets, the investigation of crimes of Money Laundering and the mechanisms for cooperation and coordination.

The strategy of their fight against drug trafficking, which has been called "The Nationalization of the Fight Against Drugs and Crime" assumes in an autonomous, independent, and sovereign manner, and as National Policy, the fight against crime linked to drug trafficking. In 2017, as part of the regionalization strategy against drug trafficking that has involved the establishment of several joint commissions, the Regional Anti-Narcotics Intelligence Center (CERIAN) was created and established in Santa Cruz de la Sierra. Similarly, he highlighted the creation of a Joint Command for Air Space Control with Brazil and Peru.

Regarding the current policy, the minister indicated that Bolivia has assumed a new coordinated, concerted and socially controlled approach, recognizing that community participation is a key element to carrying out the strategy, and respecting human rights. Within this framework, Law 913, which regulates illicit traffic in controlled substances, enacted on March 16, 2017, establishes four fundamental aspects: It regulates the mechanisms to combat illicit trafficking in controlled substances in the comprehensive preventive investigation area; establishes mechanisms for control and oversight of controlled chemical substances; establishes a regime of seized and forfeited assets and regulates the loss of ownership of illicit assets on behalf of the State. He stressed that among the coordination and cooperation mechanisms is the work coordinated between the FIU and the Special Force to Fight Drug Trafficking through pre-established protocols. The Minister ended his speech by thanking the delegates for allowing him to present the Bolivian experience.

Second Session

- i. **Approval of the agenda and revision of topics.** The Group approved the draft agenda without modification ([DDOT/LAVEX/doc.1/18](#)).
- ii. On behalf of the Technical Secretariat, Nelson Mena, from the Department against Transnational Organized Crime (DTCO), presented the **Activities Report for the period 2017-2018**. ([DDOT/LAVEX/doc.4/18](#)).
- iii. Presentations: **Case study on In rem forfeiture linked to acts of corruption. Delegation of El Salvador** ([DDOT/LAVEX/doc.5/18](#)) and ([DDOT/LAVEX/doc.6/18](#)).

Comments from Delegations:

The Chair thanked the Delegation of El Salvador for the interesting presentation, and emphasized that everyone seemed impressed with the way asset forfeiture is applied in the continent- with the objective of seizing assets that are illicit proceeds of transnational organized crime. Furthermore, the Chair recalled that many of the illicit gains in the Americas have their origins in drug trafficking and public corruption.

The Delegation of the United States asked the Prosecutor's Office of El Salvador, with regard to the cases presented, whether some of the restricted assets are under the administration of CONAB, and if the cases were concluded, whether there is already a confiscation order. Additionally, the US Delegation asked if the main evidence in the case was the correlation between the illicit money and the assets or the illicit enrichment theory of the former presidents.

The Delegation of Ecuador asked how to handle a case in which criminals in El Salvador possess illicit assets in a third country that does not have an asset forfeiture law.

The Delegation of El Salvador thanked the Delegation of the United States for its questions and replied that the accused of the first case died before the end of the criminal process, while the process of asset forfeiture was in the deferment stage and therefore the case is still in ongoing. The last two are also still in process despite already having precautionary measures and having the insured assets being administrated by the CONAB. The prosecution is responsible for the investigation, through financial and accounting analysis by the specialists, which leads to the identification of the origin of the money and from there to the consolidation of the evidence.

In response to the question posed by the Delegation of Ecuador, the Delegation of El Salvador stated that international cooperation is the key to working in situations where assets are found in different countries, regardless of whether they have asset forfeiture laws or not. Through international cooperation, the application of the corresponding legal mechanisms is requested according to the legislation of each country.

- iv. **Presentation: “Some aspects of law N° 5.876/17 on the Administration of Seized and Forfeited Property – Various Experiences”.** Delegation of Paraguay. ([DDOT/LAVEX/doc.7/18](#)).

Javier Rojas, Deputy Executive Secretary of SENABICO of Paraguay, thanked Bolivia for the hospitality offered and presented some relevant aspects of the creation and performance of the National Secretariat for the Administration of Seized and Commissioned Assets (SENABICO) of Paraguay. Additionally, he highlighted some details of a specific case of confiscation of assets that were under the administration of this institution.

Comments from Delegations:

The delegation of Honduras consulted on what would be the assets of economic interest and how they are regulated, since this issue is not regulated in its law. Additionally, the delegation requested further clarification on how this issue is handled in Paraguay.

Sub-Working Group on Forfeiture and International Cooperation.

- v. **Presentation: Study on liquidation or sale of seized assets: valuation for its due destination.** Co-coordinators of the BIDAL Project and Subgroup and ([DDOT/LAVEX/doc.8/18](#)) and ([DDOT/LAVEX/doc.9/18](#)).

Marcela Carvajal, from the Asset Recovery Unit of the Costa Rica Institute on Drugs and co-coordinator of the Subgroup, and Dennis Cheng, Director of the BIDAL Project, thanked Bolivia for the reception and presented the results of the study carried out through the questionnaire on recovery of assets, which was distributed to delegations with the objective of collecting information from the countries regarding the liquidation or advance sale of seized assets, as well as the sale of forfeited assets; to examine the distribution of the proceeds of the liquidation or sale of seized assets and the distribution of the proceeds of the sale of confiscated assets; and to discern the scope of the valuation of assets and their importance in the process. The study concluded that the implementation of the sale and advance of sale elements in the internal regulations of the countries contributes effectively to the efficient administration of seized and forfeited assets, provided that these procedures are fully developed and that they allow transparency and objectivity in the valuation or assessment of the assets, and identify the most suitable forms or processes for the sales.

Comments from Delegations:

The Delegation of Spain expressed its gratitude for the invitation to participate as an observer in this plenary meeting and suggested including the possibility of seizure and early sale of virtual currencies, given the recent interaction of the Office of Asset Recovery of Spain with this type of cryptocurrencies.

The speakers thanked the Delegation of Spain for the excellent suggestion, and affirmed that there are no specific cases on the subject in Latin America, but it is necessary to develop studies on the subject due to high incidence of the use of virtual currencies by organized crime in the region.

The group agreed to endorse this study and submit its approval to CICAD.

Subgroup of Work in Financial Intelligence Units and Criminal Investigation Organizations.

- vi. **Presentation: Study on expert evidence (experts) in cases of Money Laundering and Financing of Terrorism.** Co-coordinators of the Subgroup ([DDOT/LAVEX/doc.10/18](#)) and ([DDOT/LAVEX/doc.11/18](#)).

Javier Humerez, Legal Analyst, and Katty Mercado, Strategic Analyst of the Financial Investigations Unit of Bolivia (UIF Bolivia), co-coordinators of the FIU / OIC Sub-Working Group presented the background and results of this study, the objective of which was to differentiate the types of expert reports used for investigations of money laundering in the region. Moreover, this study would serve as a basis to propose a guide of good practices on the preparation and use of the expert report. The conclusion was that there is consensus among the countries on the importance of using financial reports or expert reports, both for the prosecution and for obtaining convictions for the crime of money laundering, but that not in all cases do the courts grant probative value to both.

Finally, delegations proposed the development of a Guide of Good Practices on the use and introduction of expert financial and accounting reports in the criminal process, based on the preparation of a complementary survey of the countries, which will collect additional information in order to specify and clarify the scope and use of some terms that were unclear in the first survey. Delegations also requested that the Technical Secretariat of GELAVEX undertake the necessary initiatives to conduct the training sessions for judges and prosecutors in the matter.

Comments from Delegations:

The Delegation of Honduras stated that the topic of financial analysis, financial reports or expert reports are some of the different terms that countries use on the subject, but it is important to differentiate them. In Honduras, financial analysts are attached to the Public Prosecutor's Office. The delegate pointed out that she wished to participate in the drafting of the manual of good practices on financial studies in order to obtain clarity regarding the different legislations of the countries of the region.

The Delegation of Mexico thanked CICAD, GELAVEX and Bolivia for organizing this plenary. Supporting the proposal of the delegation of Honduras, they proposed the development of a glossary of terms that precisely defines what is a financial analysis, as well as the differences in the terms used by each country.

The Office of the Prosecutor of Bolivia applauded the organization of the plenary and welcomed all the participants on behalf of the Public Ministry. They also expressed that, in their view, it was important to expand the questionnaire developed for this study, including the possibility of establishing parameters and guiding the actions of the agencies that handle the issue of criminal prosecution.

The Delegation of Panama welcomed the words shared by the previous delegations and highlighted the importance of clarifying the quality of the information shared by the countries.

The Delegation of Peru supported the request to circulate a complementary survey that seeks to clarify the terms that vary from country to country, as in the case of Peru. Additionally, they agreed with the other delegations that it is necessary that the guide to be developed include a glossary of terms so that everyone can understand and unify them.

The Delegation of Paraguay stressed the importance of preparing the additional questionnaire, for which greater precision is required in the formulation of some questions in order to make the answers more precise.

The Technical Secretariat contextualized to the member states and observers that the Group of Experts may decide to continue with this line of action, or develop a new questionnaire and circulate it among the delegations to draft a best practices guide on the use of financial expert reports in the criminal process. In closing, the technical secretariat emphasized that the group should recommend that CICAD approve this resolution as an amendment to the Strategic Plan, as part of the 2018-2019 Work Plan.

The Chair further proposed the insertion of an explanatory note for each of the questions and supported the motion to draft a new questionnaire, which should be answered in a complementary manner. The new survey should include a glossary of terms, as suggested by the Delegation of Mexico.

The delegation of Chile also reiterated their interest in continuing with this work. They applauded the proposal of the Delegation of Mexico to develop a glossary of terms, and

invited, together with Bolivia, the delegations of Mexico, Peru, Panama and Paraguay to collaborate on this.

The group agreed to endorse this study and submit its approval to CICAD.

- vii. Presentation: **The role of the International Union of Notaries (UINL) in the fight against Money Laundering and the Financing of Terrorism.** ([DDOT/LAVEX/doc.12/18](#)).

Dr. José Marqueño, president of UINL, and Silvina Capello, External Advisor on AML / CFT from the same organization, briefly introduced the nature, functions and initiatives of the UINL, explaining its organizational structure, objectives and specific role in the fight against money laundering and financing of terrorism. Specifically, they presented some details of the document on Good Practices for the Prevention of Money Laundering and the Financing of Terrorism in the Notarial Sector ([DDOT/LAVEX/doc.24/18](#)), which was shared with the Group.

Comments from Delegations:

The group agreed to recommend to the Commission that the International Union of Notaries (UINL) be accepted as an Observer Organization within the GELAVEX meetings ([DDOT/LAVEX/doc.25/18](#)).

Third Session

- i. Presentation: **Progress report of the Project on Open Sources of Information.** By the delegates of Peru and Bolivia ([DDOT/LAVEX/doc.20/18](#)).

Katia Pasco, Principal Analyst, Financial Intelligence Unit of Peru, and Lidia Magali Mendoza, Head of Technology and Data Processing of the Bolivian FIU, greeted the delegates and began their presentation on of the Open Source Information project, which has as its object the development of a technological tool that provides investigators from member countries timely access (online) to relevant public information, available in different websites, within the framework of investigations on ML/TF and related crimes. Next, they explained the current status of the tool, countries currently sharing information, ways to access and exchange information, and the procedure to request access to the platform and share information.

Comments from Delegations:

The Delegation of Spain expressed thanks for the presentation and expressed its interest in being part of the platform despite being an observer at GELAVEX.

The speakers confirmed the possibility of letting them access the page and indicated the necessary procedures to do so by means of a request by email. The Chair of the Group took

the opportunity to invite Spain and other observers to also share the information available as well as having access to the tool as users.

The ARIN-CARIB delegate noted that most of the countries that are part of the initiative are Spanish speaking, with the exception of Trinidad and Tobago. In addition, he asked whether there was a possibility that the tool would also be available in English.

The Chief of Technologies of the FIU Bolivia explained that during the development of the tool, the publishing of some of the information sections in both languages was taken into account, so that all OAS member countries could have access in their preferred language. He took the opportunity to invite member countries still not sharing information to be part of the platform, and to set deadlines for all countries to commit to sending the information. The Senior Analyst of the FIU of Peru reiterated the invitation for new countries to join as users, send new information and update the existing one. The Chair reiterated these proposals.

The Delegation of Paraguay requested the Technical Secretariat to issue a communique regarding the tool so that countries are aware of it and can join the initiative.

The Delegation of El Salvador shared the country's successful experience with the tool and its usefulness for a specific case in which the platform was consulted. They noted that some countries have information with outdated or unavailable links and urged contact points to keep them updated.

The Delegation of Mexico also reiterated the importance of the tool and that it was presented at the last meeting of contact points of the Asset Recovery Network of GAFILAT - RRAG.

The Office of the Prosecutor of Bolivia inquired how many users per country can access the system, and whether access would be possible for each of the competent institutions of the prosecutorial process in the country. The speakers explained that each country has a national coordinator who manages the information in the system and that it can share the necessary information with other institutions within the same country.

The Technical Secretariat contextualized the origin and status of the project, urging countries and observers to take part in the initiative by designating their national coordinators, sharing and updating the links that could be included in the platform, bearing in mind that some links may require charges for access.

Sub-Working Group on Financial Intelligence Units and Law Enforcement Agencies.

- ii. Presentation: **Study on new AML / CFT typologies, including the use of virtual currencies.**

Coordination by the Delegation of Chile. ([DDOT/LAVEX/doc.16/18](#)) and ([DDOT/LAVEX/doc.17/18](#)).

Tania Gajardo, legal advisor of the National Prosecutor's Office of Chile and co-coordinator of the FIU/LEA Subgroup, presented the background and results of the study that sought to collect information from countries on their experiences with the use of virtual currencies in the region and the threats they present for money laundering and financing of terrorism. The study also included some basic concepts on virtual currencies and conclusions about the challenges they present in terms of AML/CFT.

Comments from Delegations

The Delegation of Mexico commented that they did not receive the questionnaire but offered to complete it after the meeting. The delegate also briefly presented the new legislation approved in their country for the operation and regulation of the use of virtual currencies and offered to share the full document ([DDOT/LAVEX/doc.25/18](#)).

The Delegation of El Salvador recalled the complexity of the ML/TF offenses that include the use of virtual currencies and exhorted the delegations that already had experiences investigating crimes of this nature to share them with the group.

The speaker said that this initiative was a first step to begin to understand the reality of the region in relation to the issue, given that there are still few cases under investigation and no sentence thus far.

The Delegation of Paraguay expressed its concern regarding this issue, especially relating to the "Fintechs" and "Blockchains", and requested the support of the Technical Secretariat to develop studies on the topic.

The Delegation of Spain commented that they have carried out investigations and confiscated relevant amounts of virtual currencies. In addition, they shared some of the difficulties they had with this experience. They suggested the participation of members of GELAVEX in the "Global Conference on the Use of Cryptocurrencies for Financial Investigators of Interpol, Basel Institute and Europol".

The Chair proposed that the Technical Secretariat seek to provide technical assistance in the matter, and facilitate the participation of both the Technical Secretariat and a delegation in this conference.

The Technical Secretariat took note of the requests and agreed to take the necessary steps to find resources to carry out the technical assistance and participate in the Global Conference.

The Delegation of Mexico informed of their participation in a seminar on the topic in Spain in which none of the participating countries stated that they had regulated the use of virtual currencies.

The delegate of Spain and the delegate of UINL reported that European countries have not yet regulated the use of virtual currencies but are expected to start doing so in the near future.

The group agreed to endorse this Study and present it to CICAD for approval.

Sub-Working Group on Forfeiture and International Cooperation.

- iii. Presentation: **Study on Challenges faced by OAS member states in asset recovery. Diagnosis that includes forfeiture laws and victims.** Co-coordinators of Sub-working Group and Project BIDAL. ([DDOT/LAVEX/doc.18/18](#)) and ([DDOT/LAVEX/doc.19/18](#)).

Javier Rojas, Deputy Executive Secretary of SENABICO Paraguay and Victoria Acuña, Criminal Prosecutor Unit of Economic Crimes and Anticorruption of the Public Ministry of Paraguay, co-coordinators of the Subgroup on Forfeiture and International Cooperation presented the background and results of the study, which was conducted through the compilation of questionnaire responses from the countries. The objective of the study was to identify those member countries of the OAS that have laws or regulations related to the recovery of assets and offices in charge of Seized Asset Management and asset recovery. The study identified the main barriers and general, legal and operational challenges that countries face in this area.

Comments from Delegations

The Delegation of Honduras shared one of its experiences on this topic. International cooperation to obtain information with evidential value is a challenge and the bureaucratic requirements of the government entities in charge of processing this information is one of the aggravating factors.

The Delegation of Ecuador proposed the establishment of categories of importance of the

messages and information available on the open source information platform as a way to improve information sharing.

The Delegation of the United States recalled that the premise of the Project at the time of its conception was to get countries to communicate and respond about their capabilities and the appropriate contact points in terms of asset recovery. The delegate recalled that the responses of the countries are available for consultation, upon request to the Technical Secretariat. In addition, he highlighted that some of the difficulties in terms of international cooperation and information exchange can be mitigated if the contact points look for prior information and specific procedures through their counterparts in other countries before sending the cooperation request.

The Office of the Prosecutor of Bolivia endorsed the words of the United States and highlighted the distinction between formal and informal mutual international assistance.

The Chair of the Group recommended that the Technical Secretariat include in the report that the information provided by the countries in the surveys is available for consultation and urged the countries to use it. In addition, the Technical Secretariat should specify within the group the scope of mutual international assistance in terms of the availability of information, the possibility of analyzing its probative power and finally the identification of assets to carry out its confiscation. The Chair of the Group also proposed that the Technical Secretariat find resources to systematize the bilateral mechanisms available among the countries of the region in order to develop a manual of good practices in this area.

The group agreed to endorse this Study and submit it to CICAD for approval.

- iv. Panel: **Virtual Currencies in operations linked to transnational organized crime offences. Analysis of cases from the region. Moderator:** John Grajales, Technical Specialist, Department against Transnational Organized Crime (DDOT), Organization of American States (OAS). Katia Pasco, Principal Analyst, Financial Intelligence Unit of Peru. Grenville Williams, Director of the Asset Recovery Unit of the Regional Security System of the Caribbean. Javier Alberto Gutierrez Suárez, General Director, Financial Intelligence Unit (UIAF) of Colombia.

The moderator opened the panel presenting some news and statistics related to the intensification and diversification of the activities of transnational organized crime, including the use of new technologies and virtual currencies to carry out their illicit acts ([DDOT/LAVEX/doc.14/18](#)). Afterwards, the experts from Peru ([DDOT/LAVEX/doc.13/18](#)), Colombia ([DDOT/LAVEX/doc.23/18](#)), and the Regional Security System

[\(DDOT/LAVEX/doc.15/18\)](#), briefly explained some basic concepts regarding virtual currencies and the experiences of their countries (Peru, Colombia and the Caribbean region), despite the lack of specific legal frameworks on the subject and the few conducted investigations that include the use of this payment method.

Fourth Session

Discussion and Proposals:

Based on the Strategic Plan 2018-2020, the 2018-2019 Work Plan of the GELAVEX Sub-Working Groups was also defined, as follows: **Sub-Working Group on Forfeiture and International Cooperation.**

The Delegation of Bolivia, representing the Sub-Working Group on Forfeiture and International Cooperation, proposed two working topics for 2018-2019: a) to develop a study on the self-sustainability of seized assets, within the framework of the functions of specialized property administration offices; and b) to develop a study on forfeiture for equivalent assets and mixed assets, with the objective of identifying countries with developed legislation on the issue or the need to incorporate these elements into their legal frameworks.

The Delegation of the United States welcomed the initiative to work on the study on legislation and procedures regarding equivalent assets.

The Chair invited other delegations to join as co-coordinators of the Subgroups undertaking these tasks for the next two years.

Sub-Working Group on Financial Intelligence Units and Law Enforcement Agencies.

The Delegations of Chile and Bolivia, representing the Sub-Working Group of FIU/LEA, for the period 2018-2019 proposed to work on: a) a case study on money laundering linked to trafficking in persons and illegal trafficking of migrants in the region; b) to conduct a study of comparative legislation and technical guidelines of international organizations regarding the evidentiary value of intelligence reports in the region, and; c) to develop a good practices guide on expert reports in cases of money laundering. Additionally, the participation of Mexico, Panama, Paraguay and Peru as co-coordinators of the Subgroup to develop the proposed studies was confirmed, and an invitation was issued to other delegations wanting to contribute in the elaboration of these tasks.

The Group decided that the delegations of Costa Rica and Chile will coordinate the sub-working groups along with the delegations of Bolivia, Mexico, Panama, Paraguay and Peru.

Conclusions and Recommendations of the Group of Experts:

- i. To welcome the Activities Report for the period 2017-2018 of the Department against Transnational Organized Crime ([DDOT/LAVEX/doc.4/18](#)).
- ii. To express its gratitude for the presentation: Case Study on In-Rem Forfeiture linked to acts of corruption, presented by the distinguished delegation of El Salvador ([DDOT/LAVEX/doc.5/18](#)) and ([DDOT/LAVEX/doc.6/18](#)).
- iii. To express its gratitude for the presentation: "Some aspects of Law N5 5.876 / 17 on the Administration of Seized and Closed Property - Various Experiences", presented by the distinguished delegation of Paraguay ([DDOT/LAVEX/doc.7/18](#)).
- iv. To approve the report on the "Study on liquidation or sale of seized assets: valuation for its due destination", presented by the co-coordinators of the Sub-Working Group on Forfeiture and International Cooperation, and the Director of the BIDADAL Project ([DDOT/LAVEX/doc.8/18](#)) and ([DDOT/LAVEX/doc.9/18](#)).
- v. To approve the report on the "Study on expert evidence in cases of Money Laundering and Terrorism Financing" ([DDOT/LAVEX/doc.10/18](#)) and ([DDOT/LAVEX/doc.11/18](#)).
- vi. To agree to continue working within the Line of Action of the Strategic Plan 2018-2020 regarding Expert Evidence with the development of a Good Practice Guide for the incorporation of expert financial reports on criminal proceedings.
- vii. To express thanks for the presentation: "The role of the International Union of Notaries (UINL) in the fight against Money Laundering and the Financing of Terrorism", presented by the distinguished representatives of the International Union of Notaries (UINL) ([DDOT/LAVEX/doc.12/18](#)).
- viii. To recommend to the Commission that it accept, as an Observer Organization within the GELAVEX meetings, the International Union of Notaries (UINL) ([DDOT/LAVEX/doc.25/18](#)).
- ix. To continue advancing with the development and implementation of the Open Source Information Project, urging all delegations, including observer organizations and countries, to participate in this project and periodically update the web links ([DDOT/LAVEX/doc.20/18](#)).
- x. To approve the Report on the "Study on new ML/FT typologies, including the use of virtual currencies", ([DDOT/LAVEX/doc.16/18](#)) and ([DDOT/LAVEX/doc.17/18](#)).

- xi. To urge the Technical Secretariat of GELAVEX to seek, subject to the availability of financial resources, to provide technical assistance to OAS member states in the area of AML/CFT investigations related to the use of virtual currencies, as well as to manage the possible participation and/or technical assistance by and for GELAVEX at the Global Conference on the use of Cryptocurrencies for financial investigators from Interpol, Basel Institute and Europol.
- xii. To approve the "Study to Identify Challenges that OAS Member States Face regarding Asset Recovery"[\(DDOT/LAVEX/doc.18/18\)](#) and [\(DDOT/LAVEX/doc.19/18\)](#).
- xiii. To urge the Technical Secretariat of GELAVEX to seek, subject to the availability of financial resources, to provide technical assistance to the OAS member states in matters of International Cooperation, formal and informal, for the recovery of assets.
- xiv. To express its gratitude for the presentations by panel entitled: "Virtual Currencies in operations linked to transnational organized crime crimes. Analysis of Cases in the Region ", presented by the distinguished representatives of Colombia, Peru and the Asset Recovery Unit of the Regional Security System [\(DDOT/LAVEX/doc.14/18\)](#), [\(DDOT/LAVEX /doc.23 /18\)](#), [\(DDOT/LAVEX /doc.13/18\)](#), [\(DDOT/LAVEX/doc.15/18\)](#).
- xv. Approve the 2018-2019 Work Plan of the GELAVEX Sub-Working Groups, and request approval from CICAD at its next Regular Session [\(DDOT/LAVEX/doc.32/18\)](#).

Other Business

Next meeting

- i. As indicated, the Bolivian delegation assumed the Presidency of the Group and the delegation of Colombia assumed the Vice Presidency, as approved at the 62nd Regular Session of CICAD [\(CICAD/doc.2363/17\)](#), celebrated in December of 2017, in Washington, DC, United States of America.
- ii. The delegation of Panama was nominated Vice Chair for the 2019-2020 period (the delegation of Colombia will assume the Chairmanship for this period). GELAVEX unanimously supported this nomination, so Panama must ratify or decline the nomination at the next regular session of CICAD, which will be held in Washington, D.C. from November 19 to 21, 2018.

- iii. The Group agreed, preliminarily, that the next meeting of the GELAVEX Sub-Working Groups will take place during the month of May 2019 in Washington, D.C and that the Technical Secretariat will confirm this information in a timely manner.

- iv. The Group expressed its gratitude to the Chair, the Delegation of Bolivia, for the hospitality and organization of the meeting, and congratulated him for the excellent leadership of the Plenary.