

Notes for Remarks

Hon. Roy Cullen, P.C., C.A.

3rd GOPAC Global Conference: Kuwait 2008

Anti-money laundering Workshop # 1

Money Laundering and Corruption: Follow-Up to Tanzania

The Sheraton Hotel & Towers, Kuwait City

Emerald A Room

November 17th, 2008

3:30 pm – 5:00 pm

- Welcome to all.
- Introduce myself (Chair, GOPAC Canadian Chapter & Team Leader, GOPAC Anti-money laundering Task Force / as Parliamentary Secretary to Canada's Minister of Finance in from 1999-2001, I facilitated the passage of |Canada's anti-money laundering legislation, and the establishment of Canada's financial intelligence unit – Financial Transactions Reports Analysis Centre of Canada, or FINTRAC).
- GOPAC's members have stated clearly that the fight against corruption must be enjoined with initiatives to combat the laundering of corrupt funds, and the recovery of stolen corrupt assets.
- We have committed ourselves to this principle and to these objectives.
- Introduce other members of the panel –
 - Hon. Given Lubinda, M.P. Zambia and Chair African Parliamentarians Against Corruption (APNAC);
 - Ted Greenberg, Senior lawyer, World Bank, Financial Market Integrity Branch, and leader on asset forfeiture issues at the World Bank.
- The objectives of today's workshop are to-
 - review progress on GOPAC's anti-money laundering resolutions that were adopted in Arusha, Tanzania in 2006;
 - Hear from our panellists about their perspectives on this topic and how GOPAC should be talking this problem;

- Discuss a draft resolution on the fight against money laundering and asset recovery for this global conference; and,
- Engage in a general discussion.
- We have 1½ hours only, so I have asked all the panellists, including myself!, to limit their remarks to about 10 minutes and then we will open the floor to questions/comments and discussion.
- The resolutions that were adopted at the 2nd Global Conference of the Global Organization of Parliamentarians Against Corruption (GOPAC) that was held in Arusha, Tanzania, September 20th –23rd , 2006 were as follows –

CONFERENCE DECLARATION

- GOPAC is an organisation committed to leadership for results and has resolved to set up global task forces to energize the debate on issues such as:
 - Parliamentary Oversight
 - Parliamentary Immunity
 - Codes of Conduct for Parliamentarians
 - Access to Information and Media
 - International Conventions Against Corruption

- **Anti Money Laundering ****
- Resource Revenue Transparency
- Development Assistance Loans and Grants
- GOPAC is speaking to the world, saying that these serious political issues need to be addressed. We are prepared to address them.
- We call on all governments and other organizations that are committed to good governance, improved prosperity and better lives for their citizens and society to join forces with GOPAC to achieve these objectives.
- **The Anti-money laundering resolution adopted in Arusha Tanzania committed GOPAC to the following:**
 - to extend the GOPAC global Task Force of GOPAC members to guide this work and advise the GOPAC Executive of further steps needed as well as how this can complement Control of Terrorist Financing initiatives;
 - to encourage training of parliamentarians in all chapters to expose larger numbers of parliamentarians to the issues and steps governments and parliamentarians need to take—based on the pilot training initiatives GOPAC has undertaken in cooperation with WB, IMF and the International Compliance Association;
 - to develop awareness amongst GOPAC members of the FATF 40 + 9 recommendations;

- to seek “observer” status in the FATF;
 - to examine the benefits of drafting and encouraging the adoption of an International Convention Against Money Laundering while encouraging countries to ratify and implement the UN Convention Against Corruption;
 - that GOPAC begin dialogue with the offshore and international banking community to: (a) better understand what the community is doing to fight money laundering and the financing of terrorism, and; (b) develop protocols specifically on fighting the laundering and the recovery of corrupt money and assets.
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extend the GOPAC global Task Force of GOPAC members to guide this work and advise the GOPAC Executive of further steps needed as well as how this can complement Control of Terrorist Financing initiatives

- **GOPAC has developed a proposal to support the formation and support the work of the GOPAC Global Anti-money laundering task force (package cost of \$360,000).**
 - **Group of 8-10 GOPAC parliamentarians representing all major regions of the world.**
 - **Four phases – 1. Orientation & training / 2. Development of position and discussion papers / 3. Prepare & publish a report / 4. Global conference presentation of results and action plan.**

- **Organisations Approached to Financial Support the AML GTF 2006-2008**
 - Arab Bankers Association
 - British Bankers Association
 - Canadian Ministry of Foreign Affairs
 - Canadian International Development Agency (CIDA)
 - Ford Foundation
 - International Monetary Fund
 - Irish AID
 - KPMG
 - Scotiabank
 - Toronto Dominion Bank
 - World Bank
 - UK Foreign Office
 - UN Democracy Fund
 - UNODC

Funding Obtained:

- Canadian Ministry of Foreign Affairs (\$44 378 CND)
- Scotiabank (\$10 000 CND)

- **Some reluctance to support travel costs for parliamentarians**
- **We will continue to pursue**
- **In the meantime, work continues.**

encourage training of parliamentarians in all chapters to expose larger numbers of parliamentarians to the issues and steps governments and parliamentarians need to take—based on the pilot training initiatives GOPAC has undertaken in cooperation with WB, IMF and the International Compliance Association

- Joint GOPAC/IMF workshop in Vienna for Balkan country MP's on the fight against corruption and money laundering (Macroeconomic Policy Seminar for Parliamentarians from Albania, Bosnia and Herzegovina, Macedonia, Montenegro, and Serbia May 28, 2007)
- In 2006, GOPAC Anti-money laundering workshop in Mexico City hosted by Mexican Senate (especially Senator César Jauregui), the Department of Foreign Affairs Canada (Human Security Program), and the Bank of Nova Scotia.
- Speaking at universities and colleges (Royal Roads University, University of Vancouver Island) and service organizations (Rotary International).
- My book, ***The Poverty of Corrupt Nations***, features GOPAC prominently!

develop awareness amongst GOPAC members of the Financial Action Task Force (FATF) 40 + 9 recommendations

- GOPAC has committed itself to creating awareness amongst its members of the 40 + 9 recommendations of the FATF. GOPAC acknowledges that the FATF is the anti-money laundering standard-setter. We have communicated this to the FATF. GOPAC has begun to build more awareness by encouraging its regional chapters to create linkages with the FATF-style regional organizations, which are present throughout the world, and begin working with these organizations to develop and implement anti-money-laundering strategies.
- We have communicated with GOPAC regional chapters where FATF regional style bodies exist and encouraged local dialogue and communication.
 - Asia/Pacific Group on Money Laundering (Sydney, Australia)
 - The Caribbean Financial Action Task Force (Port of Spain Trinidad)
 - EAG Secretariat (Moscow)
 - Eastern and Southern African Anti-Money Laundering Group (Dar es Salaam, Tanzania)
 - GAFISUD (Buenos Aires, Argentina)
 - Inter Governmental Action Group Against Money Laundering in Africa (Dakar, Sénégal)

- Middle East and North Africa Financial Action Task Force (Manama, Kingdom of Bahrain)
- MONEYVAI (Council of Europe, Strasbourg)

seek “observer” status in the FATF

- GOPAC formally submitted a request to the FATF for observer status on the Financial Action Task Force which would allow parliamentarians a more direct role and impact on the development of anti-money-laundering standards and implementation tools (e.g. issues around ‘politically exposed persons’)
- July 7th, 2008, the FATF responded (disappointing answer)
- The FATF “confirmed its policy of accepting only inter-governmental organizations as observers. The FATF considered GOPAC’s outstanding expression of interest in light of the agreed policy and, as a consequence of it, could not agree to admit GOPAC as a new observer.”
- We are continuing communication with the FATF Secretariat – “It is clear that GOPAC is showing great leadership in its work with parliamentarians on this subject.” (*anti-money laundering*).

to examine the benefits of drafting and encouraging the adoption of an International Convention Against Money Laundering while encouraging countries to ratify and implement the UN Convention Against Corruption

- GOPAC has drafted a comprehensive convention*.
- FATF concerns.
- Implementation issues.

**Available from GOPAC Secretariat*

GOPAC begin dialogue with the offshore and international banking community to: (a) better understand what the community is doing to fight money laundering and the financing of terrorism, and; (b) develop protocols specifically on fighting the laundering and the recovery of corrupt money and assets

- GOPAC has begun this process by contacting the Offshore Group of Banking Supervisors (OGBS).
- The stated aim of OGBS is to participate with relevant international organisations in setting and promoting the implementation of international standards for cross-border banking supervision, and for combating money laundering/terrorist financing and encourage members to apply high standards of supervision based on internationally accepted principles.
- In a letter I wrote on behalf of GOPAC to Mr. Colin Powell, the chair of OGBS, I indicated that parliamentarians throughout the world have expressed a strong desire to obtain further information and training in money laundering; in particular, I stated that they would be interested in knowing what legislative and other tools are available to them so that they can assist in the reduction or elimination of money laundering in their respective countries.

- I asked Mr. Powell if GOPAC could work with his organization to achieve the same degree of enhanced cooperation that his members have accomplished in the fight against terrorist financing and drug crimes, and enhance this cooperation to the fight against the laundering of corrupt money.
- OGBS understands the benefits of working together, and they are anxious to participate in a meeting GOPAC is organizing with the offshore banking community to map out a program to better address the fight against the laundering of corrupt money, and the recovery of stolen assets.
- GOPAC is continuing its dialogue with the Offshore Group of Banking Supervisors as a result of this dialogue. We have come to the realization that we must deal with the governments in the offshore banking jurisdictions and in this connection we are working with
- the IMF and the World Bank on proposals to begin a dialogue with these countries, and international financial centres generally, with the objective of improving the detection and recovery of laundered corrupt funds.
- More on asset recovery at tomorrow's workshop.....
- I will now give the floor to Hon. Given Lubinda, M.P. Zambia and Chair African Parliamentarians Against Corruption (APNAC).



List of Interested Parliamentarians: AML GTF

Thomas Bayer	Country Unknown
Mathieu Ahouansou	Benin
Houonne Theodule	Burkina Faso
Juliette Koumagoto	Chad
Ahmat Moustapha Moussami	Chad
Robert Munkoko	Congo
Alejandro Marroguin	El Salvador
P.C. Appiah-Ofori	Ghana
Omingo Magara	Kenya
Justin Muturi	Kenya
Osita Ernest Igbe	Nigeria
Damian Caneda Morales	Spain
Wayne Blackburn	Tanzania (not an MP)
Shaba McJones	Tanzania
Abdulerim Esmail Hassan Sha	Tanzania
Mary King	Trinidad and Tobago
David Bahati	Uganda
Willias Madzimure*	Zimbabwe
Yonasani Bankozeza Kanyomozi	
Given Lubinda	Zambia

List of Participants from Previous GOPAC AML Events (By Region)

Africa

Efige'nia Clemente, Angola
 Victoria No Nicolau, Angola
 Marcial Dachala, Angola
 Ahouansou Mathieu, Benin
 Quenum Epiphane, Benin
 Ya Neoso, Burkina Faso
 DA Hououne Théodule, Burkina Faso
 Zabango H. Marlene, Burkina Faso
 Bouzabou Patchili, Chad
 Ahmat Moustapha, Chad
 Ouchar Tourgoudi, Chad