

# ***Anti Money Laundering***

## **Context**

Money laundering is the device for making illegally obtained funds accessible for the personal use of perpetrators without being traceable back to their illegal source – typically by transferring the funds across international borders to legitimate financial institutions.

The central concept of Anti-Money Laundering Initiatives is to reduce the motivation for corrupt activities and other economic crimes by making it difficult to access their proceeds.

Connected to the prevention of money laundering is the pursuit of those funds and assets that have been successfully removed from a country. Stolen assets are often hidden in the financial centers of developed countries; bribes to public officials from developing countries often originate from multinational corporations; and the intermediary services provided by lawyers, accountants, and company formation agents, which could be used to launder or hide the proceeds of asset theft by developing country rulers, are often located in developed country financial centers. Increasingly, the recovery of laundered assets – referred to as Recovery of Associated Assets (RAA) – and the need to assist developing countries in recovering their stolen assets is being addressed by the international community through international initiatives such as the World Bank/UN Office of Drugs and Crime's STAR Initiative.

## **Position Statement**

- Parliamentarians play a vital role in combating money laundering through their influence on legislation, by vigorous oversight of government activity and support of parliamentary auditors, and perhaps most effectively through personal leadership.
- They engage the public and help to build the political will to act.
- By engaging parliamentarians in the fight against money laundering we can strengthen the international regime globally thus impeding the flow of illegal funds across international borders.
- Further, parliamentarians on both sides of the RAA equation – those that have been stolen from and those countries profiting – need to be engaged in order to ensure global cooperation and the reduction of barriers.

## **Resolution**

Aware of the above Context and GOPAC Position Statement, GOPAC resolves to:

- legislate and otherwise implement the Financial Action Task Force (FATF) 40+9 recommendations;
- strengthen the FATF 40+9 recommendations to achieve greater cooperation amongst countries, and an increased focus on stolen asset recovery methods;
- for Politically Exposed Persons (PEPs), implement the due diligence called for in the United Nations Convention Against Corruption (UNCAC);
- actively encourage the creation of fully functional national Financial Intelligence Units (FIUs);
- enhance detection and stolen asset recovery protocols in offshore and international financial centre countries; and
- support and pursue the objectives of the STAR initiative and build sustained political will to realize the recovery of stolen assets.