

Workshop: Anti Money Laundering

Draft GOPAC Position Statement and Resolution on 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/Combating the Financing of Terrorism (AML/CFT) is to reduce the motivation for corrupt activities and other economic crimes by making it difficult to access their proceeds. AMLIs also impede the international flow of funds to international terrorists and their organizations. This reduces the resources available to terrorists and by helping to identify their sources discourages their funders.

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/UNODC's STAR Initiative.

Position Statement

- Parliamentarians play a vital role in combating money laundering and the financing of terrorism 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 AML/CFT we can strengthen and extend the international AML/CFT regime globally thus impeding the flow of illegal funds across international borders as well as discouraging the supply of funds to international terrorists and their organizations.
- 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.

