



Conference of the Parties to the United Nations Convention against Transnational Organized Crime

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Addendum

VII. Expert consultation on money-laundering

1. At its 4th meeting, on 10 October 2008, the Conference considered agenda item 2 (h), entitled “Expert consultation on money-laundering”. For its consideration of the item, the Conference had before it the following documents:

(a) Report of the Secretariat on the implementation of the United Nations Convention against Transnational Organized Crime: consolidated information received from States for the first reporting cycle (CTOC/COP/2005/2/Rev.2);

(b) Report of the Secretariat on the implementation of the United Nations Convention against Transnational Organized Crime: consolidated information received from States for the second reporting cycle (CTOC/COP/2006/2/Rev.1);

(c) Note by the Secretariat on money-laundering within the scope of the United Nations Convention against Transnational Organized Crime (CTOC/COP/2008/15).

2. The expert consultation was chaired by Eugenio Curia (Argentina), Vice-President of the Conference.

3. A representative of the Secretariat made an opening statement introducing the main issues before the expert consultation. Statements were made by the representatives of the Islamic Republic of Iran, the Sudan, Argentina, the United States, Chile, Portugal, Nigeria, Lebanon, Morocco, Egypt, the United Arab Emirates and Burundi.



Deliberations

4. In her introductory statement, the representative of the Secretariat highlighted the problems linked to money-laundering, which affected both large and small States, industrial economies and international financial centres. States were becoming increasingly vulnerable to the risks associated with money-laundering, and new and sophisticated money-laundering schemes were emerging, such as the misuse of new technologies and informal remittance systems. To guide the discussion, the attention of the Conference was drawn to the evolving nature of money-laundering, the vulnerability of the informal sector and the need for national and international cooperation and exchange of information.

5. All speakers recognized that money-laundering posed a serious threat to the integrity and stability of financial and trade systems. Some speakers expressed the view that the offence of money-laundering should not be subject to any statute of limitations.

6. Speakers drew attention to the strong links existing between money-laundering and transnational organized crime, as highlighted in the Convention, and stressed the importance of widening the range of predicate offences to include all serious crimes, such as environmental crimes, arms trafficking and terrorism, in order to enhance the application of the principle of dual criminality.

7. Speakers emphasized the need for an effective legal and regulatory framework to combat money-laundering. Some speakers reported on recent progress achieved by their Governments, such as the adoption of money-laundering legislation containing a legal definition of that offence and other criminal justice measures, for example seizure and freezing of proceeds for the purpose of confiscation.

8. Speakers underscored the need to establish operational financial intelligence units to serve as national centres for the collection, analysis and dissemination of information on potential money-laundering activities. Many speakers stressed the essential role of those units in national frameworks to combat money-laundering and in coordination among domestic agencies.

9. The strengthening of regional and international cooperation in the area of combating money-laundering was called for by most speakers. In that regard, the exchange of information at the international and national levels should be promoted.

10. Some speakers encouraged greater use of the Model Bilateral Agreement on the Sharing of Confiscated Proceeds of Crime or Property, as adopted by the Economic and Social Council in its resolution 2005/14 of 22 July 2005.

11. The view was expressed that Member States should adopt stricter laws on company formation in order to facilitate the disclosure of beneficial ownership of corporate structures. In the case of shell corporations, some speakers recommended the application of non-conviction-based forfeiture procedures where permitted by national legislation.

12. Speakers reaffirmed the need for specialized training in combating money-laundering in order to strengthen the capacity of the relevant authorities to effectively detect, investigate and prosecute cases involving money-laundering and

to address the difficulties encountered in the implementation of the Convention. The continued assistance of UNODC was called for in that respect.

13. The need to avoid duplication of effort among the various subregional, regional and international initiatives dealing with money-laundering was highlighted.

14. The view was expressed that a study on new money-laundering trends and on means to detect proceeds of crime and collect experiences should be produced, with assistance from regulatory and supervisory authorities and from financial institutions, to be submitted for review by the Conference at its fifth session.

15. The Vice-President of the Conference called on States parties to identify core issues with regard to the implementation of the money-laundering provisions of the Convention with a view to facilitating the discussion at the fifth session of the Conference.
