

## **Money Laundering and Financing of Terrorism – Council of Europe MONEYVAL Committee publishes report on San Marino**

Strasbourg, 24.11.2011 – The Council of Europe's MONEYVAL Committee (Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism), today published its [fourth round Evaluation report](#) on San Marino.

The report analyses the implementation of international and European standards to combat money laundering and terrorist financing at the time of the on-site visit (September 2010), assesses levels of compliance with the Financial Action Task Force (FATF) 40+9 Recommendations and includes a recommended action plan to strengthen the anti-money laundering (AML) and combating the financing of terrorism (CFT) system of San Marino.

The main findings of the evaluation report are:

- The evaluation confirmed that San Marino has made substantial progress in implementing MONEYVAL's third round recommendations. Since 2008, the authorities have demonstrated a clear commitment to implement the AML/CFT standards and have strengthened the preventive regime by adopting a large number of legislative, regulatory and institutional measures.
- San Marino authorities have become more attentive to money laundering risks and the use of the ML provisions. This is reflected by the results of the law enforcement and judicial system, showing a noticeable increase in the number of money laundering investigations, 4 convictions achieved for money laundering (as of September 2010) as well as helpful case law on provisional measures and confiscation. It is yet advised that the San Marino police officials play a more active role in AML/CFT efforts.
- There remain a number of deficiencies to ensure that the financing of terrorism offence is fully in line with international standards.
- Substantial progress has been made to establish an operational financial intelligence unit (FIU), which is now at the centre of the overall AML/CFT effort. However the additional functions entrusted to the Financial Intelligence Agency (FIA) and the over-reliance by other authorities on FIA impact on the workload of its staff and thus affects its effectiveness.
- San Marino has strengthened its preventive regime, setting out a comprehensive legal framework for both financial and non-financial institutions. There remain several preventive provisions which need to be brought more closely into line with the FATF standards, and overall, more time is needed before all requirements are substantially implemented.
- Supervisory action and the methodology applied need to be strengthened, and additional resources allocated to this task, in order to ensure that both financial and non-financial institutions are adequately implementing the AML/CFT requirements.
- Co-operation at national and international level has generally improved, particularly as regards mutual legal assistance and FIU to FIU co-operation. Further action is required to ensure that there are effective gateways to facilitate exchange of information and provide assistance to foreign supervisory authorities and law enforcement authorities.

MONEYVAL will continue to monitor implementation of the recommendations by San Marino through its regular follow-up procedures, which require the country to submit a follow up report by September 2013 and encourages it to seek removal from the follow-up process within three years after the adoption of the evaluation report or very soon thereafter.

Further information on this report is available at MONEYVAL's website: [www.coe.int/moneyval](http://www.coe.int/moneyval)

The Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL) was established in 1997. It is a monitoring body of the Council of Europe which has been entrusted by the Committee of Ministers with the task of assessing compliance with the relevant international and European standards to counter money laundering and terrorist financing, as well as of making recommendations to national authorities in respect of necessary improvements in their AML/CFT systems. 28 Council of Europe member States, are currently subject to MONEYVAL's evaluation procedures, as well as Israel and the Holy See (including the Vatican City State).