

24-25 July, 2008

**Speech on behalf of the Council of Europe office in the Republic of Moldova,  
MOLICO Project**

Mr Vice Governor, Mr IMF Resident Representative in Moldova, Ladies and Gentlemen,

Good morning and welcome to this event organized by the International Monetary Fund and National Bank of Moldova in cooperation with the Council of Europe within the Joint Project of the Council of Europe and European Commission against corruption, money laundering and terrorist financing in the Republic of Moldova.

Before I say several words about the today's topic of discussion I would like to take the opportunity to express our deep gratitude to the representatives of the International Monetary Fund and the National Bank of Moldova for their true partnership and valuable assistance for organization of this Conference.

I would also like to express my high appreciation to the CoE expert Mr Robert Upton, from the United Kingdom and IMF experts for their readiness to share with us their experience and knowledge about the international standards and techniques for reducing the risks of money laundering.

Ladies and Gentlemen,

The Moneyval Standards, the Third EU Money Laundering Directive and other AML regulations around the world, require that financial institutions implement robust customer due diligence programs. With regulators increasingly focused on risk-based AML programs, in which CDD is a vital component, inactivity is no longer an acceptable response. Banks must respond swiftly, despite the challenges.

The Council of Europe attaches high importance to the prevention and combating money laundering. It is convinced that the principles of democracy, rule of law and human rights are at risk in the absence of efforts for neutralization of the power of organized crime. Furthermore, the money laundering activities undermine the confidence of investors and customers in the financial institutions and may lead to significant financial losses and instability in their functioning.

Actually, the Council of Europe has been committed for many years to countering possible abuses of the financial systems in the member states in the context of the fight against organized crime. In particular, in cooperation with the EC it has developed a number of joint programmes to assist the member states in dealing with money laundering. For instance, within the MOLICO Programme, the CoE in Moldova supported the drafting of the National Strategy and the Law on

prevention and combating money laundering, facilitated the cooperation within the MONEYVAL Evaluation proceedings, energized the involvement of competent bodies in the regional cooperation in this field as well as provided assistance for accession to the Egmont Group countries and other.

Council of Europe greets the adoption of the National Action Plan to counteract money laundering and expresses its confidence that your commitment for cooperation with international institutions active in AML field will enhance anti-money laundering efforts in the Republic of Moldova.

I hope that this Conference is a welcome opportunity for you to discuss your needs and priorities regarding the effective implementation of customer due diligence requirements by Moldovan banks.

I wish you all the best in achieving these high objectives.