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*Office on Drugs and Crime*

**Combating Money Laundering & Terrorist Financing:  
an essential tool for an enabling environment for  
sustainable development**

at Head of Agencies Meeting  
AMLO, Bangkok



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*"Globalisation offers the human race unprecedented opportunities. Unfortunately, it also enables many anti-social activities to become "problems without passports". Among these are drug abuse, which brings misery to millions of families around the world every year, and drug trafficking, which cynically promotes and exploits that misery for commercial gain. If the international community is to deserve its name, it must respond to this challenge. Happily, it is beginning to do so."*

*Kofi Annan  
World Drug Report 2000*



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**Global Programme against Money Laundering (GPML)**

- located in Vienna
- helps member states to introduce legislation against money laundering
- helps member states to develop and maintain the mechanisms that combat this crime
- encourages anti-money laundering policy development
- monitors and analyses the problems and responses
- raises public awareness about money laundering
- acts as a coordinator of joint anti-money laundering initiatives



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**UNODC Regional Centre**

- located in Bangkok
- enhances joint efforts among countries in region towards suppression of illicit drugs and transnational crime
- ASEM Anti-Money Laundering Project = one of our 20 regional programmes



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**ACCORD**

**ASEAN & China Cooperative Operations in Response to Dangerous Drugs**

- Sole regional framework for drug control cooperation among ASEAN countries and China;
- Drug-free ASEAN and China by 2015;
- Project: *Regional Cooperative Mechanism to Monitor and Execute the ACCORD Plan of Action*;
  - Facilitate the implementation of the ACCORD Plan of Action;
  - Monitor the progress of the ACCORD Plan of Action;
  - Create a regional information-sharing network.



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**ACCORD Plan of Action**

- To enable a cooperative network to respond to the dangers of new drugs;
- To measure the progress to eliminate such dangers;
- Action Plan's Four pillars:

### ACCORD Action Plan's Four Pillars

- Proactive advocating civic awareness on dangers of drugs and social response
- Building consensus and sharing best practices on demand reduction
- Strengthening the rule of law by an enhanced network of control measures and improved law enforcement co-operation and legislative review
- Eliminating the supply of illicit drugs by boosting alternative development programmes and community participation in the eradication of illicit crops

### ASEM (Asia-Europe Meeting)

- informal process of dialogue and cooperation
- European Union Members, European Commission and ten Asian countries (Brunei, China, Indonesia, Japan, South Korea, Malaysia, the Philippines, Singapore, Thailand and Vietnam)
- addresses political, economic and cultural issues
- aims to strengthen the relationship between the two regions
- idea of an ASEM Anti-Money Laundering Project was born in 1996

### Prevention of Money Laundering = Key Element in Disrupting Organized Crime

- ML motivates further criminal activity
- ML can destabilize governments
- ML can undermine financial markets
- ML is the biggest industry on earth



### WHY AN ANTI-MONEY LAUNDERING PROJECT IN THIS REGION?

### SPECIAL FEATURES OF ASIA

- immense geographic size;
- social, cultural, political and economic diversity;
- difference in the economic development of countries of the region;
- different legal systems in place;
- cash-based economies;
- alternative remittance systems (underground banking);
- hub for false identification;
- corruption;
- inadequate institutional capacity;
- critical need for training;
- regional / international cooperation weak;
- underdeveloped relationship between public and private sector

### WHAT IS THE AIM OF THE ASEM ANTI-MONEY LAUNDERING PROJECT?

## UNODC PROJECT ASEM ANTI-MONEY LAUNDERING PROJECT

### Objective

- 1) to develop closer and deeper cooperation between Europe and Asia as part of international efforts to implement a global anti-money laundering regime;
- 2) to strengthen existing institutional capacity at the regional level;
- 3) to develop new, or enhance existing institutional capacity at the national level

## WHAT ACTIVITIES WILL THE ASEM ANTI-MONEY LAUNDERING PROJECT CARRY OUT?

## UNODC PROJECT ASEM ANTI-MONEY LAUNDERING PROJECT

### Activities First Phase:

Needs Assessment Analysis of 6 priority countries (Thailand, Malaysia, the Philippines, Indonesia, China and Vietnam) in order to identify their training and technical assistance needs in relation to anti-money laundering and terrorist financing.

## UNODC PROJECT ASEM ANTI-MONEY LAUNDERING PROJECT

### Activities Second Phase:

Provision of training and technical assistance in line with the findings from the first phase. May include training and technical assistance in the following areas:

## POSSIBLE DELIVERY OF TRAINING

- identification and detection of ML;
- development of laws, regulations and procedures related to reporting suspicious transactions and identification of customers;
- investigative techniques;
- asset tracing;
- forensic accounting;
- prosecution of financial crimes; and
- judicial training.

## TERRORIST FINANCING AS PART OF THE ASEM ANTI-MONEY LAUNDERING PROJECT



## Money Laundering vs. Terrorist Financing

Money Laundering implies a process where dirty money becomes clean.

Terrorist Financing implies a process where, in many cases, clean money is utilized for dirty causes.

Many counter-measures enable the international community to effectively combat money laundering *simultaneously as it combats terrorist financing:*

- international cooperation, i.e. mutual legal assistance;
- strong and effective financial investigation units;
- stricter reporting requirements of suspicious transactions within banks;
- less rigorous bank secrecy provisions.

## Convention against Transnational Organized Crime

By ratifying the Convention, States commit themselves to adopting a series of crime-control measures:

- The criminalization of participation in an organized criminal group;
- The criminalization of money-laundering;
- The criminalization of corruption;
- The criminalization of obstruction of justice;
- Extradition laws;
- Mutual legal assistance;
- Administrative and regulatory controls;
- Victim protection, etc.

The convention enters into force on 29 September 2003.

## New initiatives make UNODC services even more multisectorial

Our sustainable livelihood experience for

- Hill tribes
- Street children programmes
- Life skills education
- Prevention and rehabilitation of synthetic drug use
- Prevention of HIV/AIDS vulnerability due to drug-injecting
- Prevention of drug use in the work place



We continue to put the people at the centre of whatever we do

Presentation by  
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Thank you all for your attention

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