

APG ANNUAL BUSINESS PLAN



**Asia/Pacific Group
on Money Laundering**

2017 - 2018

Asia/Pacific Group on Money Laundering

Approved and adopted, 17 July 2017

APG Annual Business Plan 2017 - 2018

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Asia/Pacific Group
on Money Laundering

APG BUSINESS PLAN 2017-2018

INTRODUCTION

1. This year's business plan is derived from a four-year strategic plan for 2016-2020. The three strategic goals of the APG are:
 - 1) Operating effectively as a multilateral organisation;
 - 2) Working cooperatively within the global network of FSRBs and also among individual APG members and delegates; and
 - 3) Conducting mutual evaluations and ensuring that our members respond effectively to those evaluations.
2. The APG Strategic Plan 2016-2022 also provides, amongst other things, that in developing annual business plans those plans will incorporate key performance indicators for the strategies contained in each goal using the following criteria:
 - The activity must be clearly stated and achievable within time frames contemplated;
 - Proposed activities must contribute directly to the achievement of the desired outcomes;
 - Each and every activity is cost-effective and supported by available funding;
 - The number of activities is targeted and manageable, given the resources available; and
 - All activities must be linked directly or indirectly to the primary business objectives and purposes outlined in the Vision, Mission and Values statements in this document.
3. Each of the goals in this plan is supported by a number of key indicators which will be assessed at the end of the business year in a report against the business plan. Annex A provides a statement of how those key indicators will be completed during the year.
4. Major APG activities in the upcoming year include the following:
 - Four mutual evaluations will conclude;
 - Six mutual evaluations (including two jointly with FATF) will commence;
 - 2017 APG typologies workshop in Busan, Republic of Korea;
 - 2018 annual meeting in Kathmandu, Nepal.

Endorsed by:

APG members
20th APG annual meeting
Colombo, Sri Lanka

17 July 2017

CONTENTS

GOAL 1: Effective Multilateral Organisation	5
<ul style="list-style-type: none">• Relevant regional and international stakeholders• Effective governance structures• Resource the APG and its operations• Participating in international AML/CFT policy development	
GOAL 2: Working cooperatively and supporting implementation	6
<ul style="list-style-type: none">• Supporting research• Identify domestic and regional issues:• Providing guidance, advice, and technical assistance• Supporting technical assistance coordination	
GOAL 3: Conducting and responding to assessments	7
<ul style="list-style-type: none">• Conducting third round mutual evaluations• Responding to mutual evaluations with follow-up processes• Supporting mutual evaluation programme and follow-up• Participating in the FATF's ICRG	
ANNEX A: Major APG events and projects in 2017 - 2018	8

GOAL 1: Effective multilateral organisation

(1) Include all relevant regional and international stakeholders in the work of the APG:

- Encourage bilateral and multilateral engagement between members, observers and other jurisdictions and organisations to advance strategic objectives.
- Continue engagement with FATF, FSRBs, FATF TREIN, ADB, IMF, World Bank, PIFS, UN agencies, UNODC, the Egmont Group and other relevant bodies on conferences, seminars, workshops, technical assistance activities and strategically important regional initiatives.
- Continue engagement with existing observer jurisdictions APG.
- Identify relevant international organisations for possible observer status.

(2) Ensure effective governance structures, including plenary of members and observers, steering group, co-chairs, working groups and secretariat:

- Determine a host for the 2018 annual meeting.
- Deliver 21st annual meeting in July 2018 in Kathmandu, Nepal.
- Implement mechanism(s) to address the growing workload, in accordance with decisions made at the 20th annual meeting in Colombo, Sri Lanka in July 2017.
- The governance committee will consult with members and meet at least five times in the year to provide on-going advice to the membership and co-chairs on governance, policy and planning issues and will implement, where needed, the membership decisions and directions made at the 2017 annual meeting.
- APG mutual evaluations and operations committees will deliver projects and programmes as agreed by the membership.

(3) Resource the APG and its operations and ensure proper management of APG funds and activities:

- Members and observers will support operations through voluntary contributions, project support, active working group participation, expert advice or other resources in addition to budget contributions.
- The secretariat will manage and report on APG revenue and expenditure in accordance with the agreed 2017/18 budget and legal obligations of the host government, Australia.
- The secretariat will engage auditors to review of APG end-of-year financial statements and file an independent audit report to be attached to the APG's Annual Report 2017/18.
- Secretariat to prepare a briefing paper for the 2018 annual meeting on additional resources required (and when) to manage follow-up work relating to 5th year follow-up evaluations.

(4) Actively participate in international AML/CFT policy development and, standard setting processes through cooperation with the FATF and international partner organisations:

- Participate in FATF plenary, typologies, working groups and inter-sessional meetings.
- Participate in one other FSRB meeting in 2017/18.
- Coordinate input to FATF and other bodies' projects, policy development, assessment work and studies of risks, trends and methods.

GOAL 2: Working cooperatively and supporting implementation

(1) Support research on AML/CFT risks and contextual issues:

- In collaboration with FATF TREIN, deliver 2017 typologies and capacity building workshop in Busan, Korea.
- Complete the joint APG/MENAFATF typologies project on social media and terrorism financing.
- Commence project work on tracking illicit flows relating to human trafficking and/or smuggling in accordance with UNSCR 2331 of 20 December 2016.
- Participate in FATF and other FSRB typologies activities relevant to APG business.
- Implement a strengthened typologies framework and revised annual typologies report.

(2) Identify domestic and regional issues that affect implementation of the FATF standards, including members' assistance needs and opportunities for enhanced international cooperation:

- Engage with members and technical assistance providers to identify domestic and regional assistance needs, and implementation issues, arising from members' experience of international cooperation, risk assessments, typologies work, mutual evaluations (including follow-up) and FATF processes (e.g. terrorist financing fact finding initiative).
- Continue to identify other domestic and regional TA and implementation issues.

(3) Provide guidance, advice, and technical assistance on implementation of the FATF standards, in collaboration with global partners:

- Support FATF and other work to share experience and develop guidance and implementation support on topics including risk assessments, international cooperation, terrorist financing, proliferation financing, targeted financial sanctions, illicit financial flows from wildlife smuggling and financial and non-financial sector supervision.
- Deliver strategic implementation planning support pre- and post-mutual evaluations.
- Support members in building AML/CFT capacity and mechanisms consistent with the FATF standards, including through technical assistance visits, workshops and desk-based assistance.

(4) Support the coordination of technical assistance between members and relevant providers of assistance:

- Deliver the annual technical assistance and training forum in 2018.
- Collect information and analyse gaps in members' AML/CFT systems.
- Coordinate and support assistance provided by the DAP Group.
- Conduct teleconferences to coordinate technical assistance in sub-regional groups.
- Deliver technical assistance and training programmes funded under voluntary grants pursuant to specific implementation plans.

GOAL 3: Conducting and responding to assessments

(1) Conduct the APG's third round mutual evaluation programme:

- Complete mutual evaluation reports for 2018 annual meeting as follows: Cook Islands, Indonesia, Myanmar and Palau including pre-mutual evaluation, on-site and face-to-face visits as required.
- Commence six (6) mutual evaluations to be adopted at the 2019 annual meeting as follows: China (jointly with FATF), Hong Kong, China (jointly with FATF), Pakistan, Philippines, Solomon Islands and Chinese Taipei including pre-mutual evaluation visits as required.
- Update third round mutual evaluation schedule for approval at 2018 annual meeting.

(2) Respond to mutual evaluations with follow-up processes:

- Implement transitional mutual evaluation follow-up procedures to monitor members' progress.
- Implement and amend third round follow-up procedures to monitor members' progress.
- Document cases of insufficient progress for the Mutual Evaluations Committee, Governance Committee and co-chairs.
- Membership to make decisions in cases of insufficient progress by specific members.

(3) Support the mutual evaluation programme and follow-up with experts, training and procedures:

- Members and observers to provide assessors and reviewers for evaluations including participating in pre-evaluation visits, face-to-face meetings and plenary meetings to adopt reports.
- Deliver assessor and pre-mutual evaluation training workshops for mutual evaluations planned in 2018-19.
- Provide support to members undergoing mutual evaluations.

(4) Participate in the FATF's ICRG and its processes on behalf of APG members:

- Provide assistance, advice and engagement with members and technical assistance donors on FATF's ICRG rules and procedures and strategic responses to ICRG review.
- Provide input to FATF ICRG processes and the development of ICRG procedures.
- Actively participate in FATF ICRG meetings and inter-sessional RRG meetings.

Major APG events and projects in 2017 - 2018¹

- 21st annual meeting in 2018.
- APG governance committee meets and considers governance and operational issues (5 times).
- APG mutual evaluations and operations committees will meet as required.
- Annual technical assistance and training forum 2018.
- APG typologies workshop 2017 in Republic of Korea.
- Four (4) mutual evaluations.
- Mutual evaluation quality and consistency reviews (across APG, FATF and FSRBs).
- Assessor training workshop (at least 1).
- Regional pre-mutual evaluation training workshop (1).
- Membership outreach visits (2).
- Participation in FATF plenaries (3), working groups (at plenaries) and either an FATF inter-sessional or FATF typologies meeting (1).
- Attend FSRB meeting (1).
- Participation in FATF ICRG Joint Group meetings (3).
- Technical assistance needs-assessment and coordination visits (3).
- Conduct strategic implementation planning (SIP) visits (4).
- DAP Group coordination meetings (teleconference and face to face).
- Private sector events including outreach, seminars and conferences.
- Typologies projects (2).

Participation

- APG events are delivered in accordance with established procedure and agreed practice.
- Members and observers provide experts to key projects and events including mutual evaluations.
- The secretariat obtains voluntary funding to sponsor travel for delegates.
- Sponsorship funding to APG events is offered in accordance with project plans.
- Business arising is identified and delegated to members, or referred for appropriate attention.

Preparations

- Required resources are identified and secured for all APG events.
- Hosting and logistical planning is efficiently documented and budgets prepared.
- Hosting arrangements include security of delegates.
- Policy documents and discussion papers are prepared and distributed within agreed timeframes.

Outcomes

- Major events or project objectives are met and/or outputs achieved.
- All plans are realised within the projected budgets and agreed timeframes.
- Resources are accounted for, or acquitted as required.
- Records of meetings, including lists of participants, are distributed to delegates.
- Required follow-up reports are prepared and circulated within the projected timeframes.

Communication

- Outcomes of key events are reported to the APG membership.
- APG delegates feedback on any aspect of APG events (administrative, policy) is encouraged and considered.
- Media engagement on key outcomes as per the *APG Information and Communications Strategy 2015*.

¹ This annex lists only events/projects funded from the core APG budget. Additional events will be undertaken using voluntary funding.