

# APG ANNUAL BUSINESS PLAN



**Asia/Pacific Group  
on Money Laundering**

2019 – 2020

Asia/Pacific Group on Money Laundering

Approved and adopted, 20 August 2019

**APG Annual Business Plan 2019 – 2020**

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# APG Programmes and Plans 2019-20

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The APG's key tasks for FY 2019–20 (some of which are dependent on external funding) are as follows:

## **Governance**

1. The following key meetings will occur in 2019-20:
  - 23<sup>rd</sup> APG annual meeting and annual forum on technical assistance forum in July 2020;
  - APG Governance Committee will meet at least five times in the year as follows: August/September 2019; November/December 2019; February/March 2020; May/June 2020; and in July 2020.
2. Up to two membership-related visits will be undertaken to members and non-members to facilitate full and active membership and promote commitment to the global AML/CFT standards. Additional visits and activities will be undertaken with external donor funding.
3. The secretariat will implement decisions made by members at the 2019 annual meeting in relation to the APG mandate and the additional resources required to manage work relating to 5<sup>th</sup> year follow-up evaluations and other workload challenges.
4. As an associate member of the FATF, the APG will continue to participate in:
  - three FATF plenary meetings;
  - working group meetings in the FATF;
  - either one FATF inter-sessional meeting (if required) or FATF typologies meeting, or an FSRB meeting; and
  - three meetings of the Asia-Pacific Joint Group.
5. Information from the FATF and other AML/CFT bodies will be communicated to members when received, via the APG website and/or individual correspondence/communication.

## **Mutual Evaluations**

6. The APG will:
  - continue the APG's third round of mutual evaluations, including assessor/reviewer and pre-mutual evaluation training; prepare an updated mutual evaluation schedule; and continue to support the Mutual Evaluation Committee;
  - deliver at least one assessor training workshop under the 2013 assessment methodology;
  - undertake four (4) mutual evaluations (including two (2) joint evaluations) with reports to be considered at the 2020 annual meeting;
  - Undertake two (2) joint five-year follow-up assessments with reports to be discussed at the 2020 annual meeting;
  - commence five (5) mutual evaluations (including two (2) joint evaluations) with reports to be adopted in July 2021;
  - review and prepare analysis reports of members under APG third round follow-up; and
  - continue to contribute to preparation of updated assessment methodology training materials.

## **Implementation, Technical Assistance and ICRG Activities**

7. The APG will provide priority assistance and support for members involved in the FATF's International Co-operation Review Group (ICRG) process, including participation at Asia-Pacific Joint Group meetings, ICRG meetings, information briefings, supply of information and interpretative materials, implementation assistance and coordination of technical assistance and training.
8. The APG will undertake ICRG-related assistance visits to APG members under ICRG review.
9. The APG will assist members to develop sustainable strategies to meet mutual evaluation report recommendations and implement the updated Strategic Implementation Planning Framework to respond to priority recommendations in those reports.
10. The APG will continue to provide implementation assistance relating to combating proliferation financing (PF) including working with global and regional bodies to identify and address challenges to effective implementation of the global standards to combat PF.
11. A number of regional AML/CFT technical assistance projects will be considered in collaboration with Donors and Providers (DAP) Group members for legal, financial, FIU and law enforcement sectors. The secretariat will support existing mechanisms with the Pacific Island Forum secretariat and the ASEAN secretariat, and will continue efforts to support greater cooperation with South Asian regional bodies.
12. The APG secretariat will collaborate with priority members and DAP Group members to deliver:
  - regional programmes to support improved assessments of risk and strategic responses to risk mitigation;
  - regional programmes to build AML/CFT capacity among AML/CFT supervisors and regulators, in particular in relation to international cooperation between supervisors;
  - regional enforcement and prosecution capacity building programmes focusing on targeting policy responses to proceeds of crime and terrorist financing, including through improved international cooperation;
  - AML/CFT implementation programmes related to targeted financial sanctions against terrorism and proliferation financing; including a regional program on counter terrorism financing with the non-profit organisation sector and
  - regional programmes to improve capacity to utilise financial investigation techniques to combat corruption.

## **Typologies**

13. The APG will complete typologies projects commenced in the previous year (the second phase of the human trafficking project to include people smuggling and implementation issues and, jointly with the EAG, the project on the use of proceeds of crime including from organised crime for financing of terrorism, individual terrorists or terrorist organisations).
14. The APG will also work on the support of regional training initiatives and collaborate with the FATF and other strategic partners including other FSRBs directly relevant to APG business.

# **GOAL 1:**

## **Effective multilateral organisation**

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### **(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 of 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:**

- Deliver 23<sup>rd</sup> Annual Meeting in July 2020.
- Implement revised governance and other strategic workload management mechanism(s) to address the growing workload, in accordance with decisions made at the 22<sup>nd</sup> annual meeting in Canberra, Australia in August 2019.
- 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 2019 annual meeting.
- APG committees and project groups will deliver projects and programmes as agreed by the membership and consider others as suggested by the membership or by the secretariat during the year.

### **(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 2019–20 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 2019–20.
- The secretariat to implement decisions made by members at the 2019 annual meeting on additional resources required to manage work relating to 5<sup>th</sup> year follow-up evaluations and other workload challenges.

### **(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 plenaries, working groups and other inter-sessional meetings.
- Participate in one other FSRB meeting in 2019–20.
- Coordinate input to FATF and other bodies' projects, policy development, assessment work and studies of risks, trends and methods.

## **GOAL 2:**

### **Working cooperatively & supporting implementation**

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

- Complete the joint APG/EAG typologies project on the use of proceeds of crime including from organised crime for financing of terrorism, individual terrorists or terrorist organisations.
- Complete the Human Trafficking and People Smuggling Project (Phase 2).
- Participate in FATF and other FSRB typologies projects if relevant to APG business.

**(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.
- Continue to identify other domestic and regional technical assistance and implementation issues.

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

- Support work by FATF and other global partners to share experience and implementation support resources on topics including risk assessments, international cooperation, investigating and prosecuting ML, terrorist financing, proliferation financing, illicit financial flows from wildlife smuggling and risk-based supervision of financial and non-financial sectors. Deliver strategic implementation planning support pre- and post-mutual evaluations.
- Support members to build 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 July 2020.
- 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.
- Deliver Pacific technical assistance and training in accordance with the five-year New Zealand funding programme by completing scoping visits and coordinating activities identified in implementation plans.

## **GOAL 3:**

### **Conducting and responding to assessments**

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

- Complete four (4) mutual evaluation reports for the 2020 annual meeting: Japan (jointly with FATF), Republic of Korea (jointly with FATF), Vietnam and Tonga including pre-mutual evaluation visits, on-site and face-to-face meetings as required.
- Commence five (5) mutual evaluations to be adopted at the 2021 annual meeting as follows: New Zealand (jointly with FATF), Brunei Darussalam, Lao PDR, Republic of Marshall Islands and Nepal.
- Conduct two (2) '5th year' follow-up assessments (FUAs): Australia and Malaysia (jointly with the FATF).
- Implement third round mutual evaluation schedule.

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

- Implement and amend third round follow-up procedures to monitor members' progress and examine policy and procedures relating to the 5<sup>th</sup> year follow-up evaluations.
- Consider and adopt follow-up reports, either through the Mutual Evaluation Committee and Governance Committee out of session or at the 2020 annual meeting.
- Document cases of insufficient progress for the Mutual Evaluation 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.
- Conduct comprehensive quality and consistency reviews throughout the mutual evaluation and follow-up processes.
- Deliver assessor and pre-mutual evaluation training workshops for mutual evaluations planned in 2019-20 and for support to ongoing follow-up reports and other reviews.
- 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 Asia-Pacific Joint Group meetings.



**Major APG events and projects in 2019 - 2020<sup>1</sup>**

- 23<sup>rd</sup> annual meeting in 2020.
- APG Governance Committee meets and considers governance and other issues (5 times).
- Annual technical assistance and training forum in 2020.
- Four (4) mutual evaluations.
- Two (2) 5<sup>th</sup> year follow up assessments.
- 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 (up to 4).
- DAP Group coordination meetings (teleconference and face to face).
- Private sector events including outreach, seminars and conferences.
- Typologies projects (2) ending early in 2019-20.

**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*.

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