



GLOBAL ORGANIZATION OF PARLIAMENTARIANS AGAINST CORRUPTION  
ORGANIZATION MONDIALE DES PARLEMENTAIRES CONTRE LA CORRUPTION  
ORGANIZACIÓN MUNDIAL DE PARLAMENTARIOS CONTRA LA CORRUPCIÓN

## **Anti Money Laundering Training for Kyrgyz Republic Parliamentarians: Study Visit (March 7-8<sup>th</sup>, 2006)**

### **FINAL REPORT**

**1. Program Description:** A group of parliamentarians from the Kyrgyz National Chapter of GOPAC came to Ottawa, Canada March 7<sup>th</sup> to 8<sup>th</sup>, 2006 for a three day study tour examining the Canadian parliament and the role of parliamentarians in fighting money laundering. The leadership of the Kyrgyz national chapter was joined by representatives from the Kyrgyz National Bank and the Kyrgyz Financial Intelligence Unit.

**2. Objectives:** To build and strengthen the capacity and knowledge of Kyrgyz Republic parliamentarians in the following areas:

- Parliamentary action regarding Anti Money Laundering (AML) and Financing of Terrorism (FT) Legislation ;
- AML/FT procedures and mechanisms international and as used by Canada;
- Parliamentary responsibilities as regards international treaties and conventions as well as Financial Action Task Force (FATF) recommendations for improved global action against AML, FT and corruption;
- The Canadian Experience: Role of the Finance Committee, FINTRAC and effectiveness.

### **3. Participants**

Kyrgyz National Chapter Members:

- Hon. Kubat Baibolov, MP
- Hon. Azimbek Beknazarov, MP
- Hon. Temirbek Sariev, MP
- Hon. Tayirbek Sarpashev, MP
- Hon. Melis Eshimkanov, MP
- Mr. Kuban Omuraliev, Executive Secretary, KPAC

Kyrgyz Representatives:

- Mr. Shamsybek Medetbekov, Member of the Board, National Bank of the Kyrgyz Republic
- Mr. Turgunbekov, Kanatbek, Financial Investigation Services of the Kyrgyz Republic

#### **4. Program:**

**Tuesday, March 7<sup>th</sup>, 2006**

371 West Block

**9:00 - 10:15 a.m.**

***Introduction and Welcome***

- John G. Williams (MP, Canada), Chair of the Global Organisation of Parliamentarians Against Corruption
- Meaghan Campbell, Program Manager, GOPAC

**10:15 – 10:45 a.m.**

***Coffee Break***

**10:45- 12:00 p.m.**

***Overview of Canadian Parliament***

- Amelita Armit, Director of Asia and Eastern European Programs
  - Garry Keller, Senior Special Assistant to the President of the Treasury Board
- a) Overview of the Canadian parliamentary system (federal and provincial legislatures),
  - b) Legislative Processes, functions and procedures.
  - c) Organizational structure
  - d) History and trends

**12:00 – 1:30 pm.**

***Lunch***

**1:30 – 3:00 p.m.**

***Accountability and Transparency: The Supremacy of Parliament***

- John G. Williams (MP, Canada), Chair of the Global Organisation of Parliamentarians Against Corruption

**3:00 – 3:15 p.m.**

***Coffee Break***

**3:15 - 4:30 p.m.**

***Accountability and Transparency: The Role of the Civil Service***

- Sahid Minto, Chief Risk Officer, Office of the Chief Risk Officer

- Rick Smith, Assistant Auditor General, Auditor General's Office

4:30 p.m. – 5:15 p.m.

***VIP Tour of the Parliament Buildings***

**Wednesday, March 8th, 2006**

371 West Block

9:00 – 10:30 a.m.

***What is AML and What is the Role of Parliamentarians in Reducing its Incidence?***

- Dr. Martin Ulrich, Executive Secretary, GOPAC
- Reid Cooper, Policy Advisor – Corruption and Money Laundering, Foreign Affairs Canada

- a) Introduction to Anti Corruption, Money Laundering and Financing of Terrorism (International and Regional scope) and the Role of Parliamentarians
- b) Principles of AML Legislation
- c) Institutional alternatives for AML activities
- d) International Mutual Legal Assistance

10: 30 – 10:45 p.m

***Coffee Break***

10:45- 12:00 p.m.

***Core Features of International Regimes***

- Reid Cooper, Policy Advisor – Corruption and Money Laundering, Foreign Affairs Canada

- a) International Treaties and Conventions on AML and Terrorism Financing - Legislative considerations and recommendations
- b) International AML/FT Legislation and Legislative Considerations and Recommendations
- c) Control Organisations and Regulatory aspects on AML/FT
- d) Effective Legislative Tools

12:00 - 1:30 p.m.

***Lunch***

1:30 – 3:00 p.m.

***History of AML/CFT in Canada***

- Roy Cullen, Former Member of the Finance Committee
- Debra Cowie, Acting Manager of International Relationships, FINTRAC

- Reid Cooper, Policy Advisor – Corruption and Money Laundering, Foreign Affairs Canada
- Christian Paradis, Financial Crimes International Section, Department of Finance

**3:00 – 3:15 p.m.**

***Coffee Break***

**3:15 – 5:00 p.m.**

***Action Planning***

- Hon. Roy Cullen (MP, Canada), Chair of GOPAC-AML International Program
  - Meaghan Campbell, Program Manager, GOPAC
- a) How to provide political support and motivation on AML in the Kyrgyz Republic
- b) Discussion and draft action plan for next steps.

**5. Summary**

The program for Kyrgyz parliamentarians and their colleagues from the National Bank and Financial Intelligence Unit attempted to provide a broad overview of the Canadian parliamentary system and its system of accountability. This was used as the basis upon which to engage in more detailed discussions of the Canadian approach to combating money laundering. This approach was taken for, as both parliamentarians and experts alike noted the strong links between money laundering and corruption and the importance of parliamentary oversight in both cases.

A number of themes emerged from the discussions:

- (1) Kyrgyz parliamentarians felt that they had very little power in their political system, unlike that of Canadian parliamentarians.
- (2) The Canadian matrix of accountability i.e. Auditor General's office, parliamentary review of the budget etc. operate reasonably successfully due to certain behavioral norms which do not exist in all other areas of the world. For example, in Canada a parliamentarian could not attempt to influence the Auditor General's report without fear of severe criticism.
- (3) In Kyrgyzstan, those that stand up against corruption or attempt to investigate incidences of wrongdoing do so at risk of their personal safety.

During this the course of the visit, the case of a Canadian mining company accused of unethical business practices in Kyrgyzstan was raised by the members of the delegation. The delegation was seeking the advice and support of their Canadian counterparts as to how they might go about the prosecution and punishment of the company for unethical business practices. Participating parliamentarians and experts alike noted that they could not investigate the matter without concrete evidence of wrongdoing but could provide advice and guidance as to the proper process should the

Kyrgyz delegation wish to proceed. The delegation agreed to provide further details upon their return home.

The Anti Money Laundering portion of the agenda included an overview of the role of parliamentarians in combating money laundering, international AML regimes and the history of AML legislation in Canada. The agenda culminated in a discussion of how the Kyrgyz chapter of GOPAC could initiate activities focusing on AML in their own parliament.

Kyrgyzstan has already set up a financial intelligence unit and has introduced AML legislation into parliament. The difficulties they are currently facing are a lack of resources for their FIU and a lack of cooperation in regards to investigations. The delegation agreed to promote the legislation in parliament as a means to gradually educate their peers as to practices elsewhere. Note also that as follow-up to this study tour, the Kyrgyz National Chapter of GOPAC conducted an AML workshop in Bishkek, Kyrgyzstan. To learn more, please refer to [www.gopacnetwork.org](http://www.gopacnetwork.org)