

EGMONT GROUP OF FINANCIAL INTELLIGENCE UNITS CHARTER

PREAMBLE

THE FINANCIAL INTELLIGENCE UNITS recognised as Egmont Group members by the Heads of FIU:

HAVING CONSIDERED the international nature of money laundering and financing of terrorism;

HAVING CONSIDERED that international standards identify Financial Intelligence Units (FIUs) as key components of any comprehensive system of anti-money laundering and countering financing of terrorism (AML/CFT);

HAVING CONSIDERED the first international gathering of FIUs on 9 June 1995 and the decision of the participating Heads of FIU to establish the Egmont Group as an informal forum for FIUs worldwide;

HAVING CONSIDERED that the Egmont Group consists of operational FIUs that join on a voluntary basis and that it promotes broad-based operational co-operation among FIUs that is based on a foundation of mutual trust;

HAVING CONSIDERED that the growing number of member FIUs and the international recognition of the Egmont Group's important role in the AML/CFT field calls for a further strengthening of its organisational structure;

HAVING REAFFIRMED the purpose and objectives of the Egmont Group, as well as the organisational structure and internal procedural arrangements it has developed since its creation;

HAVING REAFFIRMED the basic principles articulated by the Egmont Group over the years and approved by the membership, as contained in the attached Statement of Purpose, Interpretative Notes Concerning the Egmont Definition of a Financial Intelligence Unit, and Principles for Information Exchange;

RESOLVE:

To unite their efforts to further improve an effective exchange of information to combat money laundering and financing of terrorism;

To exchange information on their respective experiences in order to promote the development of effective financial intelligence units;

To co-operate on all aspects related to this Charter, in a manner consistent with their respective domestic laws and regulations; and

To achieve these objectives within the framework of domestic law, to participate in the Egmont Group, and to adhere, both in principle and in practice, to this Charter and to the following provisions:

I. Definitions

I.1 Financial Intelligence Unit

A “financial intelligence unit” or “FIU” is a central, national agency responsible for receiving, (and as permitted, requesting), analyzing and disseminating to the competent authorities, disclosures of financial information:

- (i) concerning suspected proceeds of crime and potential financing of terrorism, or
 - (ii) required by national legislation or regulation,
- in order to combat money laundering and terrorism financing.

I.2. Consensus

“Consensus” is general agreement having noted and given due consideration to any formal and substantiated objection.

II. Objectives of the Egmont Group

The goal of the Egmont Group is to provide a forum for FIUs around the world to improve co-operation in the fight against money laundering and financing of terrorism and to foster the implementation of domestic programs in this field. This support includes:

- expanding and systematizing international co-operation in the reciprocal exchange of information;
- increasing the effectiveness of FIUs by offering training and promoting personnel exchanges to improve the expertise and capabilities of personnel employed by FIUs;
- fostering better and secure communication among FIUs through the application of technology, such as the Egmont Secure Web (ESW);
- fostering increased coordination and support among the operational divisions of member FIUs;
- promoting the operational autonomy of FIUs; and
- promoting the establishment of FIUs in conjunction with jurisdictions with an AML/CFT program in place, or in areas with a program in the early stages of development.

III. Membership

III.1. Membership

The Egmont Group membership consists of those financial intelligence units recognised as such by the Heads of FIU.

All Egmont Group members meet the following basic requirements

- they meet the Egmont Group Definition of an FIU;
- they have full operational status;
- they have the willingness and legal capability to exchange information with all counterpart FIUs according to the Principles for Information Exchange;

and have affirmed in writing the provisions of this Charter.

Egmont Group members are entitled to participate in the Working Groups, training seminars, Plenary meetings, and in Egmont Group decision-making at all levels.

Members are entitled to access and use the Egmont Secure Web.

III.2. Egmont Group Principles

a) All members foster the widest possible co-operation and exchange of information with other Egmont Group FIUs on the basis of reciprocity or mutual agreement and following the basic rules established in the Principles for Information Exchange:

- free exchange of information for purposes of analysis at FIU level;
- no dissemination or use of the information for any other purpose without prior consent of the providing FIU; and
- protection of the confidentiality of the information.

b) All Egmont Group members contribute to the Egmont Group budget, in accordance with the funding formula and provisions as set out below in Part V.

IV. Structure

The Heads of FIU, the Egmont Committee, the Working Groups and the Secretariat make up the operating structure of the Egmont Group.

IV.1. Heads of FIU

a) General

The Heads of FIU are the governing body of the Egmont Group.

The Heads of FIU Plenary Meeting is held at least once a year, with each FIU represented by its Head or designate.

Decisions taken by the Heads of FIU are based on consensus.

b) Authorities of the Heads of FIU

The Heads of FIU decide upon and endorse any development that affects the Egmont Group membership, structure, budget and principles.

This includes:

- to amend the present Charter and attached documents;
- to accept new members;
- to approve the establishment and dissolution of Working Groups;
- to approve the mandate of the Secretariat
- to appoint the Executive Secretary
- to approve the funding formula, budget and financial statements;
- to approve the annual business plan; and
- to approve the annual report.

IV.2. The Egmont Committee

a) Role and Functions

The Egmont Committee serves as a consultative and coordination mechanism for the Heads of FIU and for the Working Groups.

Its functions include:

- to advise the Heads of FIU in matters that affect the Egmont Group;
- to coordinate the work of the different working groups;
- to oversee the work of the Secretariat; and
- to represent or delegate representation of the Egmont Group in international fora.

b) Composition

The Egmont Committee is composed of permanent and regional members, from which a Chair and Vice-Chairs are selected, according to the provisions set out in the Egmont Committee Internal Procedures.

The Executive Secretary participates in the Egmont Committee meetings.

IV.3. Working Groups

In order to accomplish its mission of development, co-operation and sharing of expertise, the Egmont Group creates Working Groups and mandates their activities.

Each Working Group determines its internal organisation, operating procedures, and selects its Chair and Vice-chair(s). The Heads of FIU endorse the selection of Working Group Chairs.

The Working Groups meet periodically and report to the Heads of FIU about their activities.

IV.4. Secretariat

a) General

The Secretariat is headed by an Executive Secretary, appointed by the Heads of FIU, who reports to the Heads of FIU directly and through the Egmont Committee.

The Secretariat is located in Toronto, Canada.

b) Role and functions

The Egmont Group Secretariat provides administrative and other support to the overall activities of the Heads of FIU, the Egmont Committee and Working Groups, as directed by the Heads of FIU, the Egmont Committee and the Working Group Chairs.

Its functions include:

- producing and implementing an annual work plan;
- producing an annual budget;
- implementing and administering a system to ensure collection and accounting of contributions from Egmont members;
- representing the Egmont Group in international fora;
- serving as a focal point for information about member FIUs and candidates for Egmont Group membership;
- preparing research, position and other papers for consideration of the Egmont Group;
- assisting host FIUs in organizing Egmont meetings;
- producing and making available all supporting materials for Egmont meetings; and
- producing an annual report.

V. Funding

V.1. Funding of the Egmont Group

The activities of the Egmont Group are funded by:

- a) annual contributions of its members;
- b) additional voluntary contributions from members; and
- c) voluntary contributions from other sources.

The Egmont Group is accountable for the management of the funds.

V.2. Member Contributions

Egmont Group member contributions are calculated according to a funding formula based on the following principles:

- every member pays a contribution;
- there are minimum and maximum contributions;
- member contributions comprise a base amount and an additional amount calculated using a progressive rate approach; and
- the progressive rate funding formula is based on a 75/25 ratio of GDP/GDP per capita.

VI. Compliance with the Provisions set out in the Present Charter

The Egmont Group maintains high standards for its members and applies the Procedures concerning Compliance with Egmont Group Standards.

In particular, these procedures address:

- Egmont members that no longer meet all basic membership requirements as set out in Part III.1;
- breaches of confidentiality or other detrimental practices in the context of exchange of information, as described in Part III.2; and
- Egmont members that do not comply with the provisions set out in Part V.

Approved by the Egmont Group Heads of FIU at Hamilton, Bermuda on 31 May, 2007.