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Laundromats: responding to new challenges in the international fight against organised crime, corruption and money laundering

Reply to Recommendation¹: Recommendation 2154 (2019)
Committee of Ministers

1. The Committee of Ministers has carefully examined Parliamentary Assembly [Recommendation 2154 \(2019\)](#) entitled “Laundromats: responding to new challenges in the international fight against organised crime, corruption and money laundering”, which it forwarded to the European Committee on Crime Problems (CDPC), the Group of States against Corruption (GRECO) and the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), for information and possible comments.

2. The Committee of Ministers fully shares the Parliamentary Assembly’s concerns regarding the threats posed to democracies by organised crime, corruption and money laundering and reiterates that corruption poses a major threat to the core values of the Council of Europe. The fight against these phenomena is an essential precondition for the development of an open and democratic society and is one of the priorities of the Council of Europe and of the successive presidencies of the Committee of Ministers. Under the Croatian Presidency, a high-level conference was held in Šibenik in October 2018, which led to the setting up of a network of national anti-corruption authorities. Under the French Presidency, a high-level conference was held in Strasbourg in June 2019 to mark the 20th anniversary of GRECO and provided an opportunity to reflect on how to improve the capacity of States to prevent and combat corruption. The Committee also welcomes the continuous efforts of the Assembly in addressing cases of corruption and unethical behaviour concerning its members, since they undermine not only the trust, legitimacy and respect of the Assembly itself, but that of the Organisation as a whole, as the Committee already stated in its reply to Assembly [Recommendation 2128 \(2018\)](#) “Follow-up to the report of the Independent Investigation Body on the allegations of corruption within the Parliamentary Assembly”.

3. The Council of Europe has developed a number of key legal instruments in these areas, such as the Criminal Law Convention on Corruption (ETS No. 173) and its Additional Protocol (ETS No. 191) and the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of Proceeds from Crime and on the Financing of Terrorism (CETS No. 198, hereafter the Warsaw Convention). GRECO, MONEYVAL and the Conference of the Parties to the Warsaw Convention monitor and promote the application of the standards contained in these treaties and other relevant international instruments. They have the full support of the Committee of Ministers. Regular exchanges of views are organised between these bodies and the Ministers’ Deputies, providing an opportunity to discuss the challenges and new trends identified by these bodies, and the main difficulties in the application of these standards at national level. The Committee of Ministers also welcomes the support expressed by the Assembly and endorses its call on all member States to “implement promptly and fully all relevant recommendations of the FATF, MONEYVAL and the Council of Europe’s Group of States against Corruption (GRECO)” (§7.9.8 of Assembly [Resolution 2279 \(2019\)](#)). In this context, the Committee of Ministers notes that MONEYVAL has taken a ground-breaking step in assessing the real effectiveness of measures taken by States, beyond mere compliance with international standards in line with

1. Adopted at the 1363rd meeting of the Ministers’ Deputies (11 December 2019).



the FATF's methodology. This approach is also regularly followed by GRECO. In addition, both GRECO and MONEYVAL take into account, amongst other things, the texts adopted by the Parliamentary Assembly in their country-by-country evaluation work.

4. With regard to organised crime, the Action Plan (2016-2020) on Transnational Organised Crime, adopted by the Committee of Ministers in March 2016, contains several initiatives to improve international co-operation in this field, which are currently being implemented. These initiatives include a review of existing declarations and reservations to Council of Europe conventions that are outdated or could hinder effective co-operation in the fight against transnational organised crime, and an assessment of the feasibility and possible added value of a new binding Council of Europe instrument to improve international co-operation on the recovery, management and sharing of assets derived from crime.

5. Finally, given the transnational dimension of corruption, organised crime and money laundering, the Council of Europe's work in this field is part of a wider international context. With regard to the Parliamentary Assembly's recommendation 1.3, the Committee of Ministers points out that the level of co-operation with international organisations and bodies, including financial institutions, in these fields is already very advanced and is being further developed. The Committee informs the Assembly that, on 10 July 2019, it has granted the European Union observer status with GRECO. Furthermore, in March 2019, it authorised the Council of Europe Secretariat to contribute to the European Commission's assessment of the implementation and effective application of Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, in particular by preparing assessment reports based on the Council of Europe's evaluation methodology. This co-operation activity will further strengthen the interaction between the Council of Europe and the European Union and constitutes very clear recognition of the Council of Europe's expertise in these fields.