

APG ANNUAL BUSINESS PLAN



**Asia/Pacific Group
on Money Laundering**

2016 - 2017

Asia/Pacific Group on Money Laundering
Approved and adopted, 6 September 2016

APG Annual Business Plan 2016 - 2017

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APG BUSINESS PLAN 2016-2017

INTRODUCTION

1. This year's business plan is derived from a new four-year strategic plan for 2016 to 2020. The new plan reduces the number of strategic goals from five to three and in doing so avoids duplication in a number of key areas.
2. 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.
3. Each of these goals 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:
 - Five mutual evaluations: Cambodia; Macao China; Mongolia; Thailand and joint FATF/APG evaluation of the United States;
 - Commencement and preparation for an additional five mutual evaluations;
 - 2016 Joint APG/MENAFATF Typologies Workshop in Saudi Arabia;
 - 2017 annual meeting in Colombo, Sri Lanka.
5. During the year, major structural changes in the way the APG conducts business will be explored by the APG steering group and reported to the membership at the 2017 annual meeting.

Endorsed by:

APG Membership
19th APG annual meeting
San Diego, California

6 September 2016

GOAL 1: Effective multilateral organisation

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

- APG members will encourage bilateral or multilateral engagement between members/observers and other jurisdictions/organisations to advance APG strategic objectives.
- Continue engagement with FATF, FSRBs, ADB, IMF, World Bank, PIFS, UN agencies, UNODC, the Egmont Group and other similar bodies on conferences, seminars, workshops and strategically important regional initiatives.
- Continue engagement with existing observer jurisdictions, encouraging them as appropriate to consider full membership of the APG.
- The APG will identify international organisations for possible observer status (e.g. SAARC).

(2) Ensure effective governance structures, including plenary of members and observers, Steering Group, Co-Chairs, working groups and secretariat:

- The 20th annual meeting and technical assistance forum will be delivered in Colombo, Sri Lanka in July 2017.
- The membership will review the APG work programme over the course of the existing mandate and decide to implement the most effective mechanism(s) to address the growing workload.
- The steering group 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 2016 annual meeting.
- APG working groups will deliver projects and programmes as agreed by the membership.
- The executive secretary will effectively manage the work of the APG secretariat.

(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 participation, expert advice or other resources in addition to members' budget contributions.
- The secretariat will manage and report on APG revenue and expenditure in accordance with the agreed 2016/17 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 2016/17.

(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, working group and inter-sessional meetings. The APG will also participate in one other FSRB meetings in 2016/17.
- Coordinate APG inputs to the 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:

- Deliver the 2016 Typologies and Capacity Building Workshop with the Middle East & North Africa Financial Action Task Force (MENAFATF) in December 2016 in Saudi Arabia, focusing on terrorism financing.
- Undertake a joint APG / MENAFATF typologies project on a topic to be jointly agreed.
- Participate in/contribute to FATF and other FSRB typologies activities relevant to APG business.
- Review and strengthen the typologies framework and content of the 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 TA 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 (including the FATF's Terrorist Financing Fact Finding Initiative).
- Continue to identify domestic and regional implementation issues through the APG's technical assistance and training coordination processes.

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

- Support APG, FATF and other bodies' work to share experience and develop guidance / implementation support on topics including risk assessments; international cooperation; terrorist financing; proliferation financing; targeted financial sanctions; illicit financial flows from wildlife smuggling; and supervision.
- Deliver strategic implementation planning support pre- and post-mutual evaluations.

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

- Annual technical assistance and training forum in 2017 to facilitate discussions between members and donors/providers.
- Collect and analyse information on gaps in members' AML/CFT systems and coordinate technical assistance to address those gaps.
- Coordinate and support assistance provided by the DAP Group.
- Teleconferences to coordinate technical assistance in the Pacific and across other sub-regional groups.

GOAL 3: Conducting and responding to assessments

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

- Complete mutual evaluations for adoption at the 2017 annual meeting for Cambodia; Macao, China; Mongolia; Thailand and the United States, including through pre-mutual evaluation, on-site and face-to-face visits as required.
- Commence another five (5) mutual evaluations to be adopted at the 2018 annual meeting including through pre-mutual evaluation visits as required.
- Agree on an updated APG third round mutual evaluation schedule for approval at the 2017 annual meeting.

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

- Implement APG's transitional mutual evaluation follow-up procedures to monitor members' progress.
- Implement APG third round follow-up procedures to monitor members' progress.
- Secretariat will document cases of insufficient progress for the Mutual Evaluation Working Group, Steering Group and Co-Chair consideration.
- Membership will consider actions to be taken in cases of insufficient progress.

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

- Members and observers will provide assessors for each APG evaluation, and support their work in serving as assessors, including joining on-site visits and face-to-face meetings.
- Deliver assessor and pre-mutual evaluation training workshops for mutual evaluations planned in 2017-18.
- Provide support to members undergoing a mutual evaluation.

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

- Provide assistance, advice and engagement with APG members and technical assistance donors on FATF's ICRG rules and procedures and strategic responses to ICRG review.
- Provide APG 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 2016 - 2017

- 20th annual meeting 2017 (1 in Colombo, Sri Lanka).
- APG steering group meets and considers governance and operational issues (5 times).
- Annual technical assistance and training forum 2017 (1 in Colombo, Sri Lanka).
- Joint APG/MENAFTAF typologies workshop 2016 (1 in Saudi Arabia).
- Five (5) mutual evaluations.
- Mutual evaluation quality and consistency reviews (across APG, FATF and FSRBs).
- Assessor training workshop (at least 1).
- Mutual evaluation training.
- Regional pre-mutual evaluation training workshop (1).
- Membership outreach visits (3).
- Participation in FATF plenaries (3), working groups (at plenaries) and inter-sessionals (1).
- Attend FSRB meeting (1).
- Technical assistance needs-assessment and coordination visits (3).
- DAP Group coordination meetings (3 by teleconference).
- Private sector events including outreach, seminars and conferences.
- Typologies projects.
- APG regional workshop on proliferation financing (1 in Seoul, Republic of Korea).

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*.