Annex II

Model Decree on the Financial Intelligence Unit

MODEL [*DECREE, REGULATION*] ON THE FINANCIAL INTELLIGENCE UNIT ISSUED FOR PURPOSES OF APPLICATION OF SECTION [ ] OF [*Insert Name of Law*]

Organisation

Section 1 Establishment

The Financial Intelligence Unit (FIU) established under Section [ ] of the [insert name of law] shall have [***option:*** *autonomy over the use of its budget and*] independent decision-making authority over matters within its responsibility.

Section 2 Composition

The FIU shall be composed of suitably qualified staff [***option:*** *with expertise particularly in the fields of finance, banking, law, information processing, customs or police investigations*] and may be made available by Government agencies. It may also comprise liaison officers responsible for cooperation with the other administrations.

Section 3 Conflicts of Interest

The head, experts, liaison officers and other staff of the FIU may not concurrently hold a position in any of the financial institutions or designated non-financial businesses and professions (DNFBPs) referred to [*insert name of law*]. They shall not hold any kind of office, or undertake an assignment or perform an activity that might affect the independence of their position. [***option:*** *Law enforcement officers appointed to posts in the FIU shall cease to exercise any investigatory powers held by them in their former employment.*]

Operation

Section 4 Reports

The reports required of the financial institutions and DNFBPs shall be sent to the FIU by any rapid means of communication. They shall, where applicable, be confirmed in writing and contain the identity and address of the reporting party, the customer or the beneficial owner and, where applicable, the beneficiary of the transaction and other persons involved in the transaction or events, and shall indicate the nature and description of the transaction or events/activity and, in the case of a transaction, the amount, transaction date and time, the account numbers and any other financial institutions and DNFBPs involved, [***option:*** *if applicable add: the time within which the operation is to be carried out or the reason why its execution cannot be deferred.*]

Section 5 Database

The FIU shall, in conformity with the laws and regulations on the protection of privacy and on computerised databases, operate a database containing all relevant information concerning suspicious transaction reports and other information as provided for under the aforementioned law and by this [*regulation*], the transactions carried out and the persons undertaking the operations, whether directly or through intermediaries.

Section 6 Annual Report

An annual report shall be drawn up by the FIU and submitted to:

Variant 1: the Government

Variant 2: the Parliament

Variant 3: the Minister of Justice, the Minister of Finance and other competent authorities.

The report shall provide an overall analysis and evaluation of the reports received and of money laundering and terrorism financing trends.

[option: Operating budget]

Section 7 Budget

Each year, the FIU shall establish its budget for the following year, subject to the limits fixed by [insert name of competent minister].