

LIGHT

LEGAL COMPETENCY TO PREVENT ANTI-MONEY LAUNDERING AND FINANCING OF TERRORISM

ILLUMINATING DARK CORNERS



Project Presentation

LIGHT aims to increase the competency of lawyers and notaries in AML/CFT, therefore strengthening their role in the implementation of AML/CFT and ensuring the effectiveness of AML/CFT policy.

The project stems from the 2019 Commission staff working document SWD(2019) 650 which complained about the significant ML vulnerability of legal professions. After being awarded a grant under the Justice Programme 2014-2020, the project started in December 2020 and lasts for 2 years, until December 2022.

Project activities include: a preparatory phase, including an assessment of the national implementation of EU law in AML/CFT as well as the development of methodologies and educational material; implementation of the training activities, including eLearning and four high-level training seminars; complementary activities to promote compliance with AML/CFT law in day-to-day practice, including a collection of best practices, a study visit to Europol, an action plan on national CPD initiatives on AML/CFT and a European conference.

The consortium is led by Confprofessioni, Italian Confederation of Liberal Professions, and composed of the following entities: Women Lawyers' Association, from Bulgaria; European Council of the Liberal Professions, from Belgium; Federnotai, Italian Federation of Notaries' Associations; International Union of Notaries (UINL); Spanish General Council of Notaries; General Council of Spanish Lawyers.

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Co-funded by the Justice Programme of the European Union (2014-2020)

Held at the Italian Senate the First Training Seminar of the Project

The first training seminar of LIGHT project has been held on 31st March and 1st April in Rome.

The event addressed the topic of the EU law against money laundering and terrorist financing and the role of legal professions. Federnotai, the Italian Union of Notaries, organised it with support from Confprofessioni, the Italian Federation of Liberal Professions, and UINL, the International Union of Notaries.

On the first day, besides the representatives of the project partners, there have been several high-level speakers, such as the undersecretary of State of the Ministry of Economy and Finance Ms. Guerra, Senator Mirabelli, MEP and former anti-mafia and counter terrorism prosecutor Roberti, public prosecutor Lo Voi, former prosecutor and senator Casson, commander of the Guardia di Finanza Magliocco. During the two days, participants stressed the important role of legal professions in AML/CFT.

Deputy public prosecutor Mario Palazzi moderated the afternoon workshop. He emphasised the need for suspicious transaction reports. Indeed, STRs allow the public administration to reconstruct the entire path of organised crime.

On the second day, former national anti-mafia and counter-terrorism prosecutor Cafiero de Raho greeted the audience. He welcomed the proposal to establish a “data warehouse” as a key AML/CFT tool. Afterwards, UINL vice-president for Europe Mr. Galliez explained how UINL created tools to help notaries fight money laundering.

During a panel discussion on big data, Mr. Gunnella from the Council of Notaries discussed on how data sent by notaries feed public registries. Ms. Bacci from DG FISMA of the European Commission, Mr. Rizzo from the EESC and Mr. Stefano Cappiello from the Ministry of Economy and Finance also joined the panel.

Then, the Italian interlocutor of the ENN Mr. Antonio Cappiello delivered a speech on economic analysis and AML framework. He assessed that in civil law countries AML compliance by notaries is better.



Ms. Valentina Rubertelli, the president of the National Council of Notaries called for the free-of-charge consultation of the coming register of beneficial owners by notaries and other actors engaged in AML. Then, the secretary general of the International Association of Judges **Mr. Giacomo Oberto** stressed the importance of the autonomy of notaries and judges from any external influence.

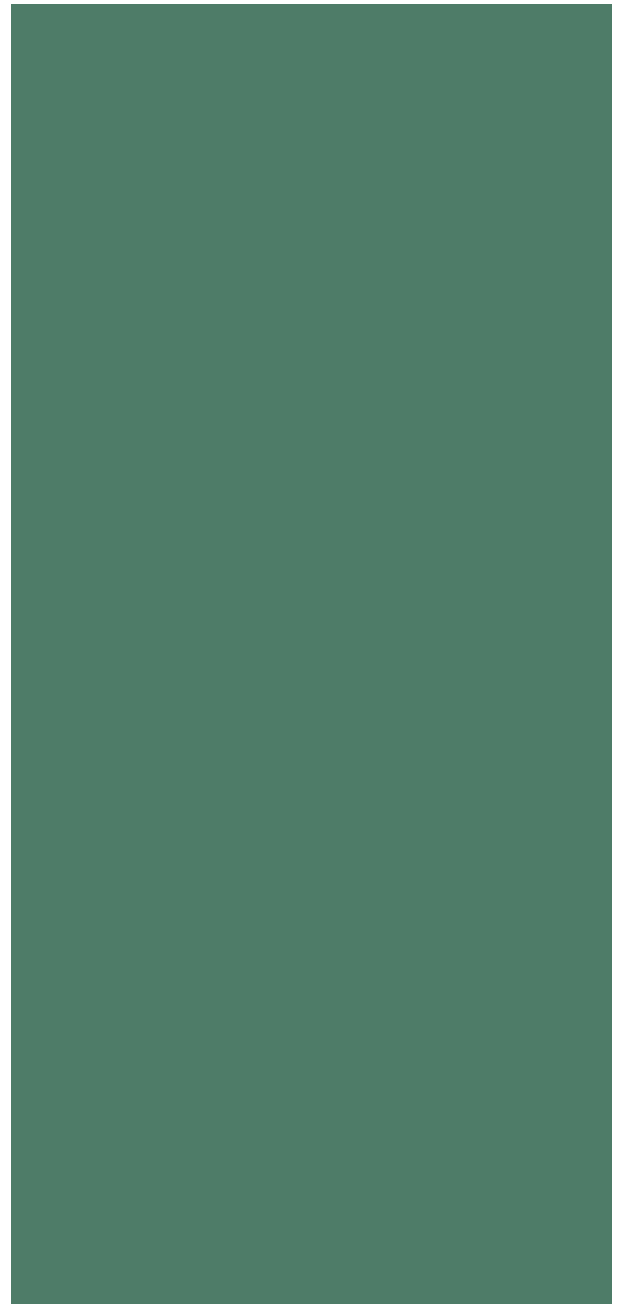


LIGHT training seminar in Brussels

**The seminar concerns EU risk assessment methodology
and EU and FATF Guidelines for Legal Professions**

On 28th and 29th April, LIGHT beneficiary Ceplis had the pleasure to welcome legal professionals from all over Europe to the second seminar of the project. Throughout this seminar, the trainers, Ms. Maufort and Mr. Fernandez-Bertier, shared their knowledge on the EU and Financial Action Task Force (FATF) risk assessment. Italian, Spanish, Bulgarian and Belgian lawyers and notaries made up an attentive audience.

Ms. Raluca Pruna, Head of Unit D2 on financial crime of DG FISMA of the European Commission, presented the work of the EU regarding AML/FT. Then, the role of the European Economic and Social Committee was addressed by the Vice-President of Ceplis, Mr. Benjamin Rizzo, President of the Maltese Federation of the Liberal Professions, EESC member, and Group III co-rapporteur of the Committee Opinion on the AML legislative package.



Afterwards, the participants had the opportunity to listen to presentations given by Mr. Kris Meskens, Secretary General of the Financial Intelligence Protection Unit, and by Judge Michel Claise, examining Magistrate specialized in the fight against white-collar crimes.

The fight against ML and FT is crucial for the European Union. Risks of money laundering and the financing of terrorism remain a major concern for the integrity of the Union's financial system and the security of its citizens. Ceplis thinks that helping the legal professions increase their competencies on the matter will contribute to make the EU a safer and more transparent space.



The National Assembly of Bulgaria Hosted the Third LIGHT Seminar

In Sofia, several notaries and lawyers learned more about AML/CFT procedures.

Following the seminars in Rome and Brussels, on 26th and 27th May Women Lawyers' Associations organised in Sofia the third training seminar of the European project LIGHT – Legal competency to prevent money-laundering and financing of terrorism: Illuminating dark corners, under the patronage of the President of the National Assembly of the Republic of Bulgaria. The topics addressed were: KYC (know your client) and complex customer checks, beneficial ownership and reporting obligations.

After the welcome address, Ms. Mariyana Kancheva, judge at the Court of Justice of the European Union, intervened. She gave a detailed presentation on countering money laundering and terrorist financing in the EU legal order.

Assoc. Prof. Todor Kolarov, head of the National and International Security Department at the New Bulgarian University, moderated and introduced the two following panel sessions. Representatives of several institutions joined this panel. These institutions include the Specialised Administrative Department for Financial Intelligence of the State Agency for National Security, the Association of Banks in Bulgaria and the General Directorate National Police of the Ministry of Interior.

The afternoon was dedicated to a discussion on the practical problems faced by professionals in their daily work. Professionals coming from different countries exchanged their experiences. Then, the group work started, and participants – divided by profession – worked on some case studies.

On the second day, the chairman of the Sofia Bar Council Atty. Marchev and the chairman of the Sofia Regional Council of Notaries Notary Dimova-Savova welcomed the participants. Mr. Temnikov from the Bulgarian Association of European Law joined the following panel. He addressed the new EU rules on the protection of whistle-blowers.



The results of the previous group works were presented and discussed, with support from Prof. **Todor Kolarov** and Dr **Gergana Yordanova**, from the Department of National and International Security at the New Bulgarian University. During the afternoon, Mr. **Lessio** from the Milan Bar Association brought the perspective of Italian lawyers. He presented the Italian legal framework and the usual practice on gathering and storing data.

In conclusion, this two-day training event has been a good opportunity to share information among different professions and countries.



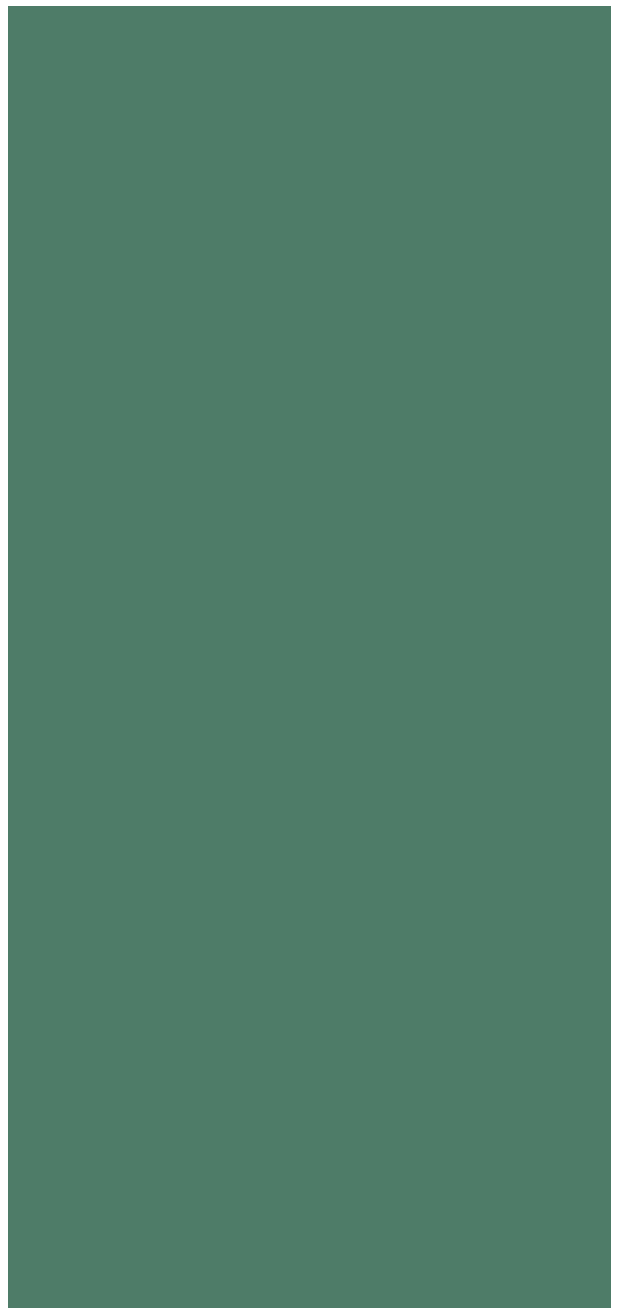
Our training on AML/CFT ends in Madrid

The Spanish General Council of Notaries organised the fourth and final seminar of the project in Madrid, on 22nd and 23rd June. The main topics were anti-money laundering and cryptocurrencies. Mr. Martínez Sanchiz, president of the General Council of Notaries, and Mr. Rubí, from the AML committee of the General Council of Spanish Lawyers, welcomed the participants.

On the first day, Mr. Sanz from the Spanish National Police addressed the topic of crypto assets from many points of view: from an introduction to crypto assets to the actors involved, from the legislation on the matter to the money laundering typologies. Afterwards, Mr. García Fresno, head of the analysis and reporting unit of the Centralised Organisation for the Prevention of Money Laundering, delivered a presentation on the Spanish model.

On the second day, Mr. Sevilla from the Spanish Civil Guard continued the discussion on cryptocurrencies. He talked about Bitcoin, Ethereum and DeFi, investigations into terrorist financing, suspicious activities and best practices. In addition, Ms. Pinillos from the Spanish FIU gave an additional contribution while Ms. Jimenez, advisory member of Moneyval, delivered the conclusions.

She stressed three challenges. First, there is a gap between the law and the reality, and the law always lags behind. Second, both money laundering and terrorist financing have to be fought at global level, therefore a global coordination is needed, which makes the role of FATF very important. Thirdly, there is need for cooperation between private and public sectors, and public administration deems very useful to know the opinion of the private sector.



LIGHT Conference: The Official Conclusion of the Project

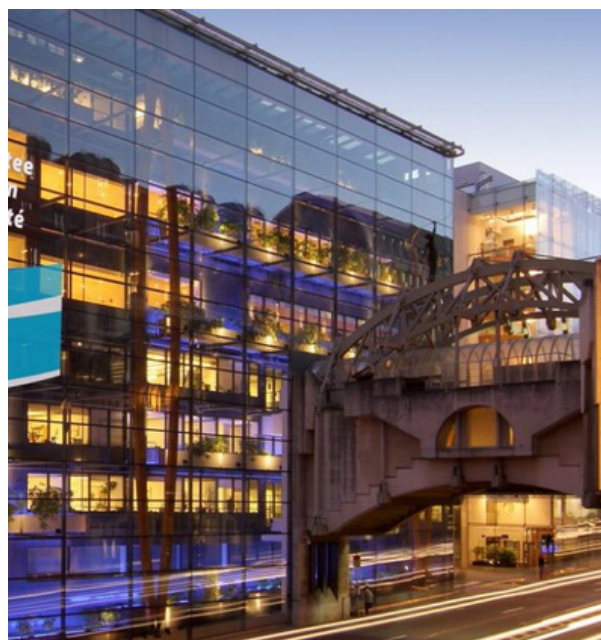
The European Economic and Social Committee hosted our last event

The project coordinator, supported by the other partners, organised the final conference of the project on 25th October, within the premises of the European Economic and Social Committee (EESC). The theme of the event was the role of legal professions in EU AML/CFT. Besides the representatives of the project partners, many speakers, from many different backgrounds, presented their views during the afternoon.

Many were representatives of the European institutions, from the EESC to the Commission, while many came from European-level associations representing lawyers and notaries. It is worth mentioning Mr. Salazar Romero, from the Unit on financial crime of DG FISMA of the European Commission, who explained the legislative work going on in the field of AML/CFT.

Also, many raised criticisms on the proposed AML/CFT package. Mr. Doz Orrit, EESC rapporteur on the said package, said it's a step in the right direction, but it is insufficient. On the contrary, Mr. Cocuzza from the CCBE expressed the worry that the new law might put at risk some core values of lawyers, such as their independence and the access to justice.

His notarial counterpart, Mr. Gomá Lanzón from CNUE, stressed that the new package poses an enormous challenge to legal professions, and that a great deal of collective effort is required. In this regard, he mentions the Spanish model as a best practice. Here, notaries receive remarkable support by the Centralised Prevention Body of the Council of Notaries. Then, a panel of experts from different countries tackled different topics, from the main challenges to the possible solutions for an effective implementation of AML/CFT policy.



After a presentation on the project and its results, Ms. **Cretin-Magand** from the **European Commission (Unit on general criminal law and judicial training, DG JUST)** delivered the conclusions, highlighting the need for well-trained legal professions to support the Commission in the correct implementation of EU law.



Lawyers and Notaries Visit Europol to Learn More on the Fight against ML in the EU

The project activities ended in Den Haag in December

On 5th December, a group of lawyers and notaries who had previously participated in the project training events had the opportunity to join a study visit to the Europol headquarters in Den Haag, The Netherlands. The visit represented the final task of the project, which will formally end on 31st December. Two officers of this European agency welcomed the group and delivered an interesting presentation on their work, based on the questions submitted in advance by the professionals.

The themes addressed included Europol's mandate and mission, its organisational structure, its competence in the field of AML, its analysis projects and feedback on the Commission AML legislative package. A special focus was given to the European Financial and Economic Centre (EFECC), a structure established by Europol in June 2020 as the answer to the growing threats to the economy and integrity of the financial systems.

The EFECC aims at the preventions of financial and economic crime in the EU, at promoting the consistent use of financial investigations and asset forfeiture, while forging alliances with public and private entities, and at countering threats such as money laundering, but also pervasive corruption, counterfeiting and fraudulent schemes.

The aim of the visit was to make participants understand the role of Europol in the fight against AML in the global and European framework. At the same time, during the meeting, the role of legal professionals in this fight was recognised as fundamental too, given that 80% of criminal networks reported to Europol make use of legal business structures, and here professionals can often play a role.



The European Union Agency for Law Enforcement Cooperation, better known under the name Europol, formerly the European Police Office and Europol Drugs Unit, is the law enforcement agency of the European Union (EU) formed in 1998 to handle criminal intelligence and combat serious international organised crime and terrorism through cooperation between competent authorities of EU Member States. The Agency has no executive powers, and its officials are not entitled to arrest suspects or act without prior approval from competent authorities in the Member States.



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