

## **REGULATION**

### **FOR ORGANIZING THE WORK OF THE STANDING COMMITTEE ON COMBATING MONEY LAUNDERING, TERRORISM FINANCING AND PROLIFERATION FINANCING IN THE REPUBLIC OF ARMENIA**

#### **CHAPTER 1: GENERAL PROVISIONS**

1. This Regulation defines the rules for organizing the work of the Standing Committee on Combating Money Laundering, Terrorism Financing and Proliferation Financing in the Republic of Armenia established by the Presidential Ordinance No NK-1075 “On Establishment of a Committee” from March 21, 2002.
2. For the purposes of this Regulation:
  - 1) **Committee** shall be the consultative body established by the Presidential Ordinance No NK-1075 “On Establishment of a Committee” from March 21, 2002;
  - 2) **Committee Chairperson** shall be the Governor of the Central Bank of Armenia;
  - 3) **Committee Secretary** shall be the Head of the Financial Monitoring Center of the Central Bank of Armenia;
  - 4) **Committee Members** shall be the representatives of the agencies specified in Paragraph 2 of the Presidential Ordinance No NK-1075 “On Establishment of a Committee” from March 21, 2002;
  - 5) **Working Group** shall be the working group adjunct to the Committee.

#### **CHAPTER 2: OBJECTIVES AND FUNCTIONS OF THE COMMITTEE**

3. The following shall be the objectives of the Committee:
  - 1) Coordinating actions aimed at the identification and assessment of money laundering, terrorism financing and proliferation financing risks in Armenia, as well as ensuring that the findings of such assessments are up to date;
  - 2) Developing a unified state policy that reflects the findings of the assessment of money laundering, terrorism financing and proliferation financing risks in Armenia;
  - 3) Coordinating domestic and international cooperation in the field of combating money laundering, terrorism financing and proliferation financing;

- 4) Implementing other objectives that are aimed at the enhancement of the effective system in Armenia for combating money laundering, terrorism financing and proliferation financing and do not contradict to the provisions of the Presidential Ordinance No NK-1075 “On Establishment of a Committee” from March 21, 2002.
4. To implement the objectives set out in Paragraph 3 of this Regulation, the Committee shall perform the following functions:
    - 1) Coordinating the process of developing a methodology for the identification and assessment of the risks specified in Sub-Paragraph 1 of Paragraph 3 of this Regulation;
    - 2) Coordinating the process of identifying and assessing the risks specified in Sub-Paragraph 1 of Paragraph 3 of this Regulation;
    - 3) Coordinating the raising of awareness on the identification and assessment of the risks specified in Sub-Paragraph 1 of Paragraph 3 of this Regulation among the agencies involved in the fight against money laundering, terrorism financing and proliferation financing in Armenia, as well as among the reporting entities stipulated under the Law on Combating Money Laundering and Terrorism Financing, and among their supervisory authorities;
    - 4) Coordinating the process of developing and implementing a unified state policy specified in Sub-Paragraph 2 of Paragraph 3 of this Regulation;
    - 5) Considering sectorial risk-based policies of the agencies involved in the fight against money laundering, terrorism financing and proliferation financing in Armenia that derive from Sub-Paragraph 2 of Paragraph 3 of this Regulation;
    - 6) Considering action (activity) plans that derive from the identification and assessment of the risks specified in Sub-Paragraph 1 of Paragraph 3 of this Regulation, as well as from the unified state policy specified in Sub-Paragraph 2 of Paragraph 3 of this Regulation; and coordinating the process of their implementation;
    - 7) Considering the draft legal acts related to the fight against money laundering, terrorism financing and proliferation financing in Armenia; and providing consultative conclusions thereon;
    - 8) Requesting from Armenian state bodies the necessary information on the fight against money laundering, terrorism financing and proliferation financing in Armenia;
    - 9) Establishing the Working Group for the effective organization of the Committee works; and

- 10) Performing other functions that are aimed at the enhancement of the effective system in Armenia for combating money laundering, terrorism financing and proliferation financing and do not contradict to the provisions of the Presidential Ordinance No NK-1075 “On Establishment of a Committee” from March 21, 2002.

### **CHAPTER 3: POWERS AND DUTIES OF THE COMMITTEE CHAIRPERSON AND MEMBERS**

5. The Committee Chairperson shall:
  - 1) Manage the activities of the Committee;
  - 2) Submit to the Republic of Armenia President the recommendations (decisions) prepared by the Committee, the reports on their implementation and the information on the activities of the Committee;
  - 3) Determine the venue, date and time of the Committee sessions, and propose the agenda thereof;
  - 4) Convene and run the Committee sessions;
  - 5) Provide for the coverage and publicity of the Committee activities;
  - 6) Where necessary, on his own initiative or on the recommendation of the Committee Members, invite representatives of state bodies, research and educational institutions and other organizations to attend the Committee sessions in an advisory capacity;
  - 7) Where necessary, on his own initiative or on the recommendation of the Committee Members, decide whether to hold a closed-door session;
  - 8) Distribute the work between the Committee Members;
  - 9) Represent the Committee in relations with other bodies and organizations.
6. The Committee Members shall:
  - 1) Take part in the planning of the Committee works, the formation of the agenda and the discussion of the items therein; make recommendations as appropriate;
  - 2) Take part in the formation of the Working Group of the Committee;
  - 3) Prepare the draft documents submitted by them to the Committee sessions;
  - 4) Ensure awareness of their agency on the decisions made by the Committee;
  - 5) Request and receive from ministries, agencies, other organizations and persons information on issues related to the activities of the Committee as specified in Sub-Paragraph 8 of Paragraph 4 of this Regulation;

- 6) Facilitate within the framework of their powers, in person or through their member in the Working Group, representation of Armenia in relevant foreign structures involved in combating money laundering, terrorism financing and proliferation financing; communication with the official delegations of such structures, including by means of arranging meetings with the representatives of their agency;
- 7) Carry out effective and joint activity in the field of combating money laundering, terrorism financing and proliferation financing in Armenia based on the requirements of this Regulation and within the scope of their official duties; as well as overview the works aimed at fighting money laundering, terrorism financing and proliferation financing in Armenia within the scope of applicable legislation.

#### **CHAPTER 4: ORGANIZING THE WORK OF THE COMMITTEE**

7. The Committee shall organize its works through regular and extraordinary sessions. The Committee may also convene distant sessions, as necessary.
8. Regular sessions of the Committee shall be convened not less than once a year by the Committee Chairperson.
9. An extraordinary session may be convened at the request of the Chairperson or of any Committee Member.
10. A distant session can be convened on the initiative of the Committee Chairperson with the consent of all Committee Members.
11. With the exception of the case defined in Paragraph 10 of this Regulation, the Committee's session shall be valid if attended by at least two thirds of its members.
12. The agenda of the Committee shall be formed by the Committee Chairperson based on the proposals of the Committee Members or on the Committee decisions on convening a session.
13. The agenda of the session and the documents related to the discussed issues shall be sent to the Committee Members in at least three working days before the session.
14. The decisions taken by the Committee due to the discussion of the issues shall be advisory in nature and shall constitute recommendations, including those submitted to the Republic of Armenia President.
15. With the exception of the case defined in Paragraph 10 of this Regulation, the decisions of the Committee shall be adopted by open verbal ballot with the simple majority of the Committee Members attending the session. Where a Committee Member has a special opinion on the decision of the Committee, it shall be attached to such decision.

16. Invited persons may attend the Committee sessions. The list of persons invited to a session of the Committee shall be set by the agenda for the day.
17. In case of an initiative to hold a distant session of the Committee, the Secretariat shall send letters to the Committee Members to propose holding such distant session. Where no objections are received on the proposal within the specified deadline, the Committee Chairperson shall decide on holding a distant session of the Committee.
18. Subsequent to the decision on holding a distant session of the Committee, the Secretariat shall send the agenda to the Committee Members. Where no objections are received on the issues included in the agenda within the specified deadline, the agenda shall be considered as adopted.
19. Where at least one Committee Member has objections on the issues included in the agenda of the distant session of the Committee, the Committee Chairperson shall decide on convening an extraordinary session of the Committee.

#### **CHAPTER 5: THE RULES FOR HOLDING THE COMMITTEE SESSIONS**

20. The Committee Chairperson shall run the sessions of the Committee, organize the exchange of views and put forward the draft decisions of the Committee for voting.
21. At the beginning of the session, the Committee Chairperson shall read out in sequence the items on the agenda and give the floor to the Committee Members for proposing additional items into the agenda.
22. The items included in the agenda shall be presented by the Committee Member having initiated consideration of the issue or by his representative, according to the specified sequence.
23. Following the presentation of each issue, the Committee Members and the invited persons are entitled to ask questions to the speaker.
24. Upon completion the question and answer slot, the Committee Chairperson shall organize the exchange of views, during which the floor is given to the Committee Members. The Committee Chairperson shall summarize the conclusions of the discussion after the speeches of the Committee Members.

#### **CHAPTER 6: MAINTAINING THE SECRETARIAT OF THE COMMITTEE SESSIONS**

25. The Financial Monitoring Center of the Central Bank (hereinafter referred to as the Committee Secretariat) shall maintain the secretariat of the Committee sessions.
26. The Committee Secretariat shall:
  - 1) Carry out the work related to the organization of the Committee sessions;
  - 2) Prepare and send to the Committee Members the agenda and related materials;
  - 3) Draft the decisions to be adopted by the Committee, as necessary;

- 4) Arrange the recording of the Committee sessions;
  - 5) Send to the Committee Members the minutes of the sessions;
  - 6) Organize the meetings of the Working Group.
27. The minutes of the Committee sessions shall be signed by the Committee Chairperson within 5 working days following the session and shall be sent to the Committee Members within 3 working days thereafter.
  28. The Committee Members shall submit in writing to the Central Bank of Armenia their final comments and objections within 5 working days upon receiving the minutes of the Committee sessions.
  29. Where the submitted objections render impossible the implementation of the Committee decisions, a new session shall be convened, the outcomes of which shall be presented to the Republic of Armenia President in the form of a written report.

**CHAPTER 7: THE FORMATION AND ACTIVITIES OF THE WORKING GROUP  
ADJUNCT TO THE COMMITTEE**

30. Each Committee Member shall nominate to the Secretariat one candidate for forming the Working Group.
31. The Committee Secretary shall be the ex-officio Head of the Working Group. The Committee Secretary shall run the meetings of the Working Group.
32. The meetings of the Working Group shall be held at the initiative of the Head of the Working Group or at the proposal of at least one Committee Member.
33. The agenda of the Working Group meetings shall be comprised of the issues to be considered in the next session of the Committee, as well as of other essential issues arising from of the Committee's objectives as set out in Paragraph 3 of this Regulation.
34. The agenda of the Working Group meetings and the related documents shall be sent to the Working Group members at least 3 working days before the meeting.
35. The meetings of the Working Group shall be recorded, and the relevant outcomes shall be presented to the Committee sessions.