

*Approved at the Session of the Interagency Committee on Combating Money Laundering, Terrorism
Financing and Financing of Proliferation of Weapons of Mass Destruction in the Republic of
Armenia of 27 December 2024*

**2025-2028 NATIONAL STRATEGY
FOR COMBATING MONEY LAUNDERING, TERRORISM FINANCING AND
FINANCING OF PROLIFERATION OF WEAPONS OF MASS DESTRUCTION**

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ABBREVIATIONS

ACC	Anti-Corruption Committee of the Republic of Armenia
AML/CTF	Anti Money Laundering and Combatting Terrorism Financing
CAEAA	Chamber of Auditors and Expert Accountants of Armenia
CBA	Central Bank of Armenia
COA	Chamber of Advocates
CPF	Countering the Financing and Proliferation Financing
CDD	Customer Due Diligence
FMC	Financial Monitoring Center of the Central Bank of Armenia
GPO	General Prosecutor's Office of the Republic of Armenia
IAC	Interagency Committee on Combating Money Laundering, Terrorism Financing and Proliferation Financing in the Republic of Armenia
IA	Investigative Committee of the Republic of Armenia
MFA	Ministry of Foreign Affairs of the Republic of Armenia
MIA	Ministry of Internal Affairs of the Republic of Armenia
MOJ	Ministry of Justice of the Republic of Armenia
ML	Money Laundering
MLA	Mutual Legal Assistance
NRA	National Assessment of Risks of Money Laundering, Terrorism Financing and Proliferation Financing in the Republic of Armenia
NSS	National Security Service of the Republic of Armenia
NCO	Non-commercial organization
N/A	Not applicable
PF	Financing of Proliferation of Weapons of Mass Destruction
SRC	State Revenue Committee of the Republic of Armenia
STR	Suspicious Transaction Report
TF	Terrorism Financing

INTRODUCTION

This document outlines the vision for developing Armenia's AML/CTF/CPF system and communicates it to participants in the national AML/CTF system, as well as to the broader national and international community. It leverages the 2025–2028 National Strategy, its Implementation Action Plan, and the Monitoring Tool to guide its execution.

The document also highlights the residual risks of ML/TF, based on the findings of the NRA, breaking them down by key actors. These insights served as the basis for formulating this Strategy and its corresponding Action Plan.

The Interagency Committee on Combating ML/TF/PF, established by Decision No. 45-A of the Prime Minister of Armenia on January 17, 2019, approved this document during its 41st session on December 27, 2024.

CHAPTER 1. STRATEGY

The Strategy defines the primary strategic goals for development of the AML/CTF/CPF system of the Republic of Armenia, the priorities for their achievement, strategic tasks under these priorities and strategic actions to achieve these tasks (see [Annex 1](#)):

The 2025-2028 National Strategy for Combating ML/TF/PF has been developed having regard to 2021-2023 NRA assessment results (see [Annex 3](#)).

Primary goals

The primary strategic goals for development of the AML/CTF/CPF system of the Republic of Armenia are:

- To update the AML/CTF system of the Republic of Armenia to effectively use the resources of the competent bodies and private sector in higher-risk areas.
- To use new and existing tools to effectively combat crimes posing ML threats, considering the evolving risk environment.
- To prevent misuse of the financial system of the Republic of Armenia by offenders, ensure imposition of sanctions on offenders and confiscation of criminal property.

Priorities and strategic tasks

For the purpose of achieving the primary goals the 2025-2028 Strategy outlines 5 priorities, strategic tasks under these priorities and strategic actions to achieve the tasks.

1. *Understanding, assessment and mitigation of ML/TF/PF risks:*

The ML/TF risks present in the country are subject to regular review, including when new circumstances emerge. To that effect, the findings obtained and analyses made within the scope of interagency and private sector cooperation have been utilized. Based on the risk assessment results adequate measures are undertaken by designating appropriate actions.

2. *Conducting effective investigation in ML cases*

Criminal prosecution authorities consistently conduct parallel financial investigation to disclose ML (including only ML, predicate offences committed abroad, third-party ML) and TF cases. ML and TF cases are investigated within reasonable time periods. Courts apply proportionate, dissuasive and effective sanctions to natural and legal persons having committed ML and TF offences.

3. *Conducting effective risk-based supervision*

Supervisory bodies consistently conduct sector-specific and reporting entities' ML/TF/PF risk assessment. Based on risk assessment results adequate supervision is conducted using the resources and supervisory tools for higher-risk sectors and reporting entities. For the purpose of risk-based supervision guidance on supervision is reviewed, including annual supervision plan

and schedule are drawn up. The results of risk-based supervision allow for identification of violations and application of effective sanctions.

4. *Efficient execution of confiscation*

Criminal prosecution authorities consistently conduct parallel financial investigation to detect the criminal property derived from predicate offence and ML. The criminal property is placed under attachment and confiscated. Statistics on attachment and confiscation are maintained for individual predicate offences. The country applies other criminal justice measures to impose attachment on and confiscate the criminal property. The Republic of Armenia has efficient management mechanisms for criminal property placed under attachment and confiscated.

5. *Undertaking effective preventive measures*

The agencies involved apply measures to identify through NRA crime schemes posing ML risk, including to build capacities for identifying ML/TF suspicious situations and providing STRs. The quality of STRs is assessed, and feedback is given to the reporting entity and supervisory body. Reporting entities consistently implement the preventive operations provided for by the Law, including ensuring the full implementation of CDD processes and performance of the responsibilities related to targeted financial sanctions. The country facilitates the transparency of legal persons. NCOs more vulnerable to ML abuse and risk are subjected to adequate countermeasures, including through continuous exercise of risk-based supervision. In case of cross-border transportation of currency valuables and bearer negotiable instruments ML/TF suspicious situations are identified, and adequate preventive measures are applied, including through suspension of their transportation, attachment or confiscation of property.

CHAPTER 2. ACTION PLAN

The Action Plan for Implementation of the 2025-2028 Strategy for Combating ML/TF/PF defines types of actions to achieve the primary strategic goals, priorities and tasks, time periods and responsible agencies for their implementation ([Annex 1](#)). Thus:

Types of actions: actions are classified into the following types:

- Legislative, which stipulates tasks related to drafting and adoption of legal acts;
- Institutional, which stipulates tasks related to designation or change of competent bodies;
- Operational, which stipulates tasks related to development of methodologies or guidance, as well as any actions aimed at effective performance of any functions or not considered supportive actions;
- Supportive, which stipulates tasks related to staff training.

Setting a deadline: taking into consideration the reasonable time period necessary for full-fledged performance of each action, the deadlines for their performance have been set.

Designating responsible authorities: the responsible authorities for the Action Plan are the IAC member agencies, and self-regulatory organizations, such as COA and CAAA that have been determined taking into account the nature of the specific action and subject area of that agency. In addition, the main responsible authority for the specific action may be one agency, as well as more than one agency, each acting within the scope of its competence

CHAPTER 3. MONITORING TOOL

The Monitoring Tool designed to oversee the implementation of the Strategy and the Actions Plan (see [Annex 2](#)) allows to verify on a semi-annual basis to what extent the strategic tasks defined to achieve the strategic goals are implemented.

The Monitoring Tool presents in a certain structured fashion criteria for assessment of the progress of performance of actions designated under strategic tasks, impediments identified in the course of performance of certain actions, corrective measures required for their elimination, as well as the status of implementation of actions designated under strategic tasks.

The status of implementation of actions designated under strategic tasks are defined as follows:

- **“Completed”** – the measure had been fully implemented;
- **“Partially completed”** – the time limit for implementation of the measure has expired, whereas only a part of it has been implemented, or not all responsible authorities have fully implemented the measures;
- **“In progress”** – the time limit for implementation of the measures has not expired, whereas steps are required to undertake for their implementation;
- **“Not started”** – the time limit for implementation of the measure has not expired, whereas no steps required for their implementation have been undertaken;
- **“Not completed”** – the time limit for implementation of the measure has expired, whereas no part of it has been implemented.

The monitoring of implementation of the Strategy and the Action Plan is conducted by the FMC on a semi-annual basis. In the submissions to the FMC the responsible agencies provide sufficient details on modes of implementation and non-implementation of measures prescribed by the Action Plan, planning of steps for their implementation and implementation progress.

The responsible agencies submit the information on implementation of the Strategy and the Action Plan to the FMC on a semi-annual basis, before 10 July and 10 January, and the FMC submits the results of the monitoring of implementation of the Strategy and the Action Plan to the Office of the Prime Minister of the Republic of Armenia before 25 July and 25 January.

Drawbacks of and achievements in implementation of the 2025-2028 Strategy for Combating ML/TF/PF that have been identified using the Monitoring Tool are to be presented at regular sessions of the IAC.

Annex 1. 2025-2028 National Strategy of the Republic of Armenia for Combating ML/TF/PF and the Action Plan for Implementation of the Strategy

Priority 1. Understanding, assessment and mitigation of ML/TF/PF risks

Strategic task	Action	Type of action	Deadline	Responsible authorities primary/subsidiary	
1. Conduct NRA for 2024-2026	1.1. Obtain from the agencies involved and the private sector information on risks, draft NRA for 2024-2026, submit them for approval	Operational	December 2027	FMC	SRC CBA GPO IC NSS MIA MOJ SJC COA CAEAA
	1.2. Review – in case of emergence of new risks or circumstances – 2021-2023 NRA reports to ensure the relevance of risks	Operational	At least once a year	FMC	
2. Communicate the 2021-2023 NRA results	2.1 Organize trainings on the 2021-2023 NRA results for the agencies involved and the private sector	Supportive	December 2025	FMC	

	2.2 Provide guidance to reporting entities on use of NRA results in the assessment of their own ML/TF/PF risks	Supportive	December 2025	FMC CBA MOJ SRC COA CAEAA	
3. Ensure that relevant countermeasures adequate to risks are in place	3.1. Review this Action Plan in case the NRA report provided for in 1.2 is reviewed, or based on the results of international evaluation provided to the Republic of Armenia for the sector, to undertake countermeasures for mitigation of risks	Operational	December 2027	FMC	SRC CBA GPO IC ACC NSS MIA MOJ SJC COA CAEAA
	3.2. Provide in annual programs of activities or relevant acts (a decision, order, recommendation, etc.) the actions stipulated in this Strategy	Institutional	June 2025	SRC CBA GPO IC ACC NSS MIA MOJ SJC COA CAEAA FMC	

Priority 2. Conducting effective investigation into ML/TF cases

Strategic task	Action	Type of action	Deadline	Responsible authorities primary/subsidiary	
4. Ensure that parallel financial investigation is consistently conducted, including to identify new ML/TF methods	4.1 Provide adequate resources to law enforcement bodies conducting parallel financial investigation of predicate offences posing ML threat ¹ either by filling the existing vacant position or creating new positions	Institutional	December 2026	SRC IC ACC NSS MIA	GPO MOJ
	4.2 Organize trainings on illegal taking through telecommunication and information technologies and sale of narcotic drugs to identify ML offences and new methods	Supportive	At least once a year	IC NSS MIA GPO	
	4.3 Organize trainings on identification and investigation of ML offences by use of virtual assets	Supportive	At least once a year	SRC IC ACC NSS MIA GPO	
	4.4 Organize trainings on identification and investigation of various ML practices (only ML, predicate offences committed abroad, third-party ML)	Supportive	Once every two years at a minimum	SRC IC ACC NSS MIA GPO	

¹Fraud, illegal taking of trusted property, abuse by the official of authority-related or official powers or influence deriving therefrom or excess of powers, failure to pay taxes, duties or other charges, illegal trafficking in narcotic drugs, psychotropic (psychoactive) substances, their preparations or their equivalents (analogues) for the purpose of sales or their illegal sales, cybertheft

	4.5 Organize trainings for law enforcement bodies to develop their skills to work with electronic evidence	Supportive	Once every two years at a minimum	SRC IC ACC NSS MIA GPO	
	4.6 Organize trainings for law enforcement bodies to effectively use the financial intelligence	Supportive	Once every two years at a minimum	FMC SRC IC ACC NSS MIA GPO	
	4.7 Conduct parallel financial investigation under criminal proceedings initiated during the examination of terrorist-related alerts or cases to identify or disclose TF cases	Supportive	December 2028	NSS IC GPO	
	4.8 Incorporate the Technical Guidance "Specifics of investigation into TF offences" in the training programs for law enforcement bodies	Supportive	December 2025	IC NSS GPO	
5. Ensure that investigation into ML cases is conducted within reasonable time limits	5.1 Undertake measures to reduce the time limits for expert examinations assigned under criminal proceedings initiated with regard to ML and predicate offences, making legislative amendments upon necessity	Operational	December 2028	GPO MOJ	GPO IC ACC MIA
	5.2 Organize trainings on development of skills to request mutual administration assistance and MLA under international cooperation, including with regard to observing the reasonable time limits for sending a request for mutual administrative assistance and MLA and receiving a response to the request	Supportive	Once every two years at a minimum	SRC GPO IC ACC NSS	

				MIA MOJ	
	5.3 Adopt appropriate approaches to reducing the time limits for ML proceedings pending trial	Operational	December 2025	SJC	
6. Ensure that effective, proportionate and dissuasive sanctions are applied to natural or legal persons convicted for ML offences	6.1 Conduct a study on effectiveness, proportionality and dissuasiveness of sanctions applied to natural and legal persons convicted for ML offences in 2024-2026	Operational	December 2027	FMC SJC	

Priority 3. Conducting effective risk-based supervision

Strategic task	Action	Type of action	Deadline	Responsible authorities primary/subsidiary	
7. Identify and assess ML/TF/PF sector-specific and individual risks of reporting entities	7.1 Conduct by supervisory bodies a sector-specific study of reporting entities' ML/TF/PF risks to identify and assess sector-specific ML/TF/PF risks	Operational	December 2028	CBA MOJ SRC FMC COA CAEAA	
	7.2 Continue performing risk assessment of reporting entities based on new methodologies for risk assessment of reporting entities to identify higher-risk reporting entities and undertake adequate supervisory measures.	Operational	At least once a year	CBA MOJ SRC FMC CAEAA	
8. Enhance risk-based supervision	8.1 Review guidance for risk-based supervision of reporting entities	Operational	December 2026	CBA MOJ SRC	

				COA CAEAA	
	8.2 Develop annual supervision plan and schedule based on results of risk assessment of reporting entities	Operational	At least once a year	CBA MOJ SRC FMC COA CAEAA	
	8.3 Organize trainings for supervisory bodies to assess ML/TF risks of reporting entities and conduct risk-based supervision	Supportive	At least once a year	CBA MOJ SRC FMC COA CAEAA	
	8.4 Consider the feasibility of introduction of automated systems supporting the ML/TF risk assessment of reporting entities and risk-based supervision, by conducting relevant studies	Operational	December 2028	CBA MOJ SRC FMC COA CAEAA	
	8.5 Review types of sanctions applied to reporting entities supervised by the FMC, stipulating that warning as a sanction is applied both independently and along with the recommendation for rectifying the violation.	Legislative	December 2026	FMC	
	8.6 Study the regulations on advocate-client privilege and grounds for initiating disciplinary proceedings under the Law "On the profession of advocate" and, where appropriate, make legislative amendments for effective supervision	Legislative	December 2027	MOJ COA	FMC

	8.7 Consider the feasibility of identification of crypto assets in analytical processes, introduction of automated systems supporting the analysis of crypto-asset transactions , by making relevant studies	Operational	December 2027	CBA FMC	
	8.8 Incorporate in the annual supervision plan and schedule of banks and wire transfer organizations verification of mitigation mechanisms of ML/TF/PF risks deriving from crypto assets and exercise of supervision	Operational	At least once a year	CBA	
	8.9 Introduce – after adopting the legislative package regulating the sector of crypt assets – procedures for identification of crypto asset service providers (CASPs), risk assessment and risk-based supervision	Operational	December 2028	CBA	
9. Ensure feedback with supervised persons	9.1 Provide to supervised persons feedback on results of risk assessment and supervisory expectations	Supportive	At least once a year	CBA MOJ SRC FMC COA CAEAA	
	9.2 Organize trainings on identifying and assessing ML/TF risks of supervised persons, including CASPs, and introducing adequate internal control mechanisms	Supportive	Once every two years at a minimum	CBA MOJ SRC FMC COA CAEAA	

Priority 4. Efficient execution of confiscation

Strategic task	Action	Type of action	Deadline	Responsible authorities primary/subsidiary
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10. Identify, impose attachment on and confiscate the criminal property derived from predicate offences and ML ²	10.1. Conduct parallel financial investigation to identify, impose attachment on and confiscate the funds generated as a result of use of means illegally taken through telecommunication and information technologies and derived from sale of narcotic drugs, including from use of foreign means	Operational	December 2028	IC SNN MIA GPO	
	10.2 Conduct parallel financial investigation to identify, impose attachment on and confiscate the funds generated as a result of use of means derived from corruption crimes, including use of means transferred abroad	Operational	December 2028	ACC GPO	
	10.3 Conduct parallel financial investigation to identify, impose attachment on and confiscate the funds generated as a result of use of means derived from tax crimes	Operational	December 2028	IC GPO SRC	
	10.4 Organize trainings on identifying, imposing attachment on, confiscating the criminal property	Supportive	Once every two years at a minimum	GPO SRC IC ACC NSS MIA SJC	
	10.5 Develop a technical guidance on the practice of identifying, imposing attachment on and confiscating the criminal property	Operational	December 2027	GPO MOJ	IC ACC NSS MIA SJC

² Criminal property involves the property provided for by Article 121 of the Criminal Code of the Republic of Armenia.

	10.6 Organize trainings on non-conviction based confiscation of property	Supportive	Once every two years at a minimum	GPO	
11. Ensure that statistical data on attachment and confiscation rates of criminal property, with a breakdown into individual predicate offences, are maintained	11.1 Maintain statistics on volumes of criminal property obtained from individual predicate offences ³ , to estimate the volumes of criminal property in the country by individual predicate offences	Operational	At least once a year	GPO	FMC IC ACC NSS MIA
	11.2. Maintain statistics on attachment imposed on criminal property derived from commission of individual predicate offences ⁴ to assess the volumes of criminal property under attachment by individual predicate offences	Operational	At least once a year	GPO	FMC IC ACC NSS MIA
	11.3. Maintain statistics on damage caused to the State, legal and natural persons, property placed under attachment to recover the damage and the damage actually recovered, with a breakdown into individual predicate offences, to assess - by individual predicate offences - the volumes of damage caused to the victims in the country, the volumes of the property placed under attachment to recover the damage and the volumes of the damage actually recovered	Operational	At least once a year	GPO	FMC IC ACC NSS MIA

³ The volumes of criminal property should not involve the damage caused to victims provided under 4.1.9.

⁴ The volumes of frozen criminal property should not include the property frozen to recover the damage caused to victims provided under 4.1.9.

	11.4 Improve the maintenance and provision of statistical data concerning court proceedings on predicate offences and ML, as prescribed by Decision of the Central Bank of the Republic of Armenia No 93-A of 27 June 2023, including through their digitization and automatic maintenance within the scope of e-justice implementation	Operational	December 2027	SJC MOJ	FMC
12. Ensure the effective property management	12.1 Study the existing mechanisms of the Republic of Armenia and the international practice related to the management of property placed under attachment and confiscated to introduce effective property management system	Operational	December 2026	GPO MOJ	IC ACC NSS MIA
	12.2 Initiate – based on the findings of study conducted under 12.1 – legislative amendments, where appropriate, to introduce a fund for management of property placed under attachment and confiscated	Legislative	December 2027	MOJ GPO	SRC IC ACC NSS MIA

Priority 5. Undertaking effective preventive measures

Strategic task	Action	Type of action	Deadline	Responsible authorities primary/subsidiary	
13. Enhance capacities to disclose through NRA criminal schemes posing ML threat, including to identify ML/TF suspicious situations and provide STR	13.1 Organize trainings for reporting entities on disclosure through NRA of predicate offences and ML schemes posing ML threat	Supportive	Once every two years at a minimum	CBA MOJ SRC COA CAEAA FMC	
	13.2 Organize trainings for supervisory bodies on verifying the adequacy of internal control systems within the reporting entity to identify criminal schemes	Supportive	Once every two years at a minimum	CBA MOJ SRC	

	posing ML threat within the scope of on-site and off-site supervision			COA CAEAA FMC	
	13.3 Organize trainings for non-financial institutions and entities on enhancing capacities to identify ML/TF suspicion criteria and provide STR	Supportive	At least once a year	MOJ SRC COA CAEAA FMC	
	13.4 Organize trainings for supervisory bodies and reporting entities on disclosure and prevention of ML/TF risks deriving from circulation of crypto assets	Supportive	Once every two years at a minimum	MOJ SRC CBA COA CAEAA FMC	
	13.5 Assess the quality of provision of STRs and provide feedback to reporting entities and supervisory bodies	Operational	At least once a year	FMC	
	13.6 Undertake – based on the results of assessment of STRs provided under 13.5 – necessary measures to improve the quality of STR	Operational	At least once a year	CBA MOJ SRC COA CAEAA	FMC
	13.7 Organize trainings to improve the capacity to identify ML schemes and new methods resulting from offences posing a threat	Operational	December 2025	FMC	
	13.8 Review ML/TF suspicion criteria	Operational	December 2025	FMC	
	13.9 Develop suspicion criteria for ML/TF involving crypto assets	Operational	December 2025	FMC	

14. Ensure that CDD processes are consistently implemented	14.1 Organize trainings for non-financial institutions and entities on implementing CDD processes, including identifying the source of property and beneficial owners	Supportive	Once every two years at a minimum	MOJ SRC COA CAEAA FMC	
	14.2. Undertake measures to ensure that wire transfer entities have adequate tools for acquisition and storage of identification data in cases of card-to-card transfers, transfers from electronic wallets to bank accounts or bank cards and reverse transfers, card-to-card transfers via foreign payment systems, cash deposits via automated self-service terminals	Operational	December 2025	CBA	
	14.3 Initiate legislative amendments to set down a requirement that purchase and sale transactions for immovable property exceeding AMD 50 million must be notary certified	Legislative	December 2025	MOJ	FMC
15. Enhance capacities related to implementation of targeted sanctions	15.1 Organize continuous trainings of reporting entities and agencies involved, including, where appropriate, with support of international partners, on responsibilities regarding targeted financial sanctions under UNSC Resolutions 1267, 1373 and their successors, as well as methods and risks of sanctions evasion	Supportive	Once every two years at a minimum	MOJ SRC CBA COA CAEAA FMC	
	15.2 Organize trainings for reporting entities and competent state bodies, including, where appropriate, with support of international partners, on responsibilities regarding targeted financial sanctions under UNSC Resolutions 1267, 1373 and their successors on countering PF, as well as methods and risks of sanctions evasion	Supportive	Once every two years at a minimum	MOJ SRC CBA COA CAEAA FMC	
	15.3 Develop PF suspicion criteria	Operational	December 2025	FMC	

16. Facilitate the transparency of legal persons	16.1 Consider adding data of beneficial owners of legal persons to the Register of Bank Accounts of the Central Bank of the Republic of Armenia, by conducting relevant study	Operational	December 2025	FMC	MOJ
	16.2 Consider the need to make amendments to the relevant legal acts based on the study under 16.1	Legislative	December 2026	FMC	MOJ
	16.3 Consider the need to introduce procedures for reporting inconsistencies in the data of beneficial owners based on alerts from reporting entities, by conducting relevant study	Operational	December 2025	FMC	MOJ
	16.4 Consider the need to make amendments to the relevant legal acts based on the study under 16.3	Legislative	December 2026	FMC	MOJ
17. Ensure that NCOs that are more vulnerable to TF apply adequate measures for countering TF abuse and risk, including through continuous exercise of risk-based supervision	17.1 Organize trainings for more vulnerable NCOs on their vulnerabilities to TF abuse and risk and applying adequate measures for countering them	Supportive	Once every two years at a minimum	SRC	FMC
	17.2 Improve the supervisory body's tools for risk-based supervision over NCOs to enhance the effectiveness of supervision over NCOs more vulnerable to TF abuse and risk, including, where necessary, through review of the guidance on risk-based supervision	Operational	December 2027	SRC	FMC
	17.3 Inform persons having made donations (donors) to NCOs about vulnerabilities of NCOs to TF abuse and risk	Supportive	December 2028	SRC FMC	
18. Enhance capacities to identify ML/TF suspicious situations in case of cross-border transportation of currency valuables and bearer negotiable	18.1 Organize trainings on ML/TF suspicion criteria in case of cross-border transportation of currency valuables and bearer negotiable instruments, including identifying cases of failure to declare or false declaration, imposing attachment and confiscating the property	Supportive	Once every two years at a minimum	SRC	FMC

instruments and ensure that adequate preventive measures are applied					
	18.2 Conduct a study on preventive measures for failure to declare, false declaration or other violations provided for by law in case of cross-border transportation of currency valuables and bearer negotiable instruments, including on initiated administrative and criminal proceedings, property attachment and confiscation rates within the scope thereof	Operational	December 2027	SRC IC	FMC

Annex 2. Monitoring Tool for Implementation of the Action Plan of the 2025-2028 National Strategy of the Republic of Armenia for Combating ML/TF/PF

Priority 1. Understanding, assessment and mitigation of ML/TF/PF risks

Strategic task	Action	Assessment criteria		Impediments identified	Corrective measures	Implementation status
		Qualitative	Quantitative			
1. Conduct NRA for 2024-2026	1.1. Obtain from the agencies involved and the private sector information on risks, draft NRA for 2024-2026, submit them for approval	Insight into, understanding of national M/TF/PF risks	Availability of NRA reports			
	1.2. Review – in case of emergence of new risks or circumstances – 2021-2023 NRA reports to ensure the relevance of risks	Relevance of national ML/TF/PF risks	N/A			

2. Communicate the 2021-2023 NRA results	2.1 Organize trainings on the 2021-2023 NRA results for the agencies involved and the private sector	Awareness of results of national ML/TF/PF risks	N/A			
	2.2 Provide guidance to reporting entities on use of NRA results in assessment of their own ML/TF/PF risks	Insights into national and own ML/TF/PF risks	N/A			
3. Ensure that relevant countermeasures adequate to risks are in place	3.1. Review this Action Plan in case the NRA report provided for in 1.2 is reviewed, or based on the results of international evaluation provided to the Republic of Armenia for the sector, to stipulate relevant countermeasures for mitigation of risks	Alignment of national M/TF/PF risks and action plans drafted thereon and presence of relevant countermeasures	Availability of reviewed action plans			
	3.2. Provide in annual programs of activities or relevant acts (a decision, order, recommendation, etc.) the actions stipulated in this Strategy	Developing a single policy for combating ML/TF	Defining in annual programmes of activities the measures provided for by this Strategy			

Priority 2. Conducting effective investigation into ML/TF cases

Strategic task	Action	Assessment criteria		Impediments identified	Corrective measures	Implementation status
		Qualitative	Quantitative			

4. Ensure that parallel financial investigation is consistently conducted, including to identify new ML/TF methods	4.1 Provide adequate resources to law enforcement bodies conducting parallel financial investigation of predicate offences posing ML threat ⁵ either by filling the existing vacant position or creating new positions	Availability of adequate resources	According to the number of vacant positions or new positions			
	4.2 Organize trainings on illegal taking through telecommunication and information technologies and sale of narcotic drugs to identify ML offences and new methods	Developing parallel financial investigation practice	Number of criminal proceedings initiated under elements of various ML practices (only ML, predicate offences committed abroad, third-party ML)			
	4.3 Organize trainings on identification and investigation of ML offences by use of virtual assets					
	4.4 Organize trainings on identification and investigation of various ML practices					

⁵Fraud, illegal taking of trusted property, abuse by the official of authority-related or official powers or influence deriving therefrom or excess of powers, failure to pay taxes, duties or other charges, illegal trafficking in narcotic drugs, psychotropic (psychoactive) substances, their preparations or their equivalents (analogues) for purpose of sales or their illegal sales, computer illegal taking

	(only ML, predicate offences committed abroad, third-party ML)					
	4.5 Organize trainings for law enforcement bodies to develop their skills to work with electronic evidence					
	4.6 Organize trainings for law enforcement bodies to effectively use the financial intelligence	Developing the practice of using financial intelligence	Number of criminal proceedings initiated based on notices and responses to the requests given by the FMC			
	4.7 Conduct parallel financial investigation under criminal proceedings initiated during the examination of terrorist-related alerts or cases to identify or disclose TF cases	Developing parallel financial investigation practice	Number of criminal proceedings initiated under TF elements of crime			
	4.8 Incorporate the Technical Guidance "Specifics of investigation into TF offences" in the training programs for law enforcement bodies					
5. . Ensure that investigation into ML cases is conducted within reasonable time limits	5.1 Undertake measures to reduce the time limits for expert examinations assigned under criminal proceedings initiated with regard to ML and predicate offences, making legislative amendments upon necessity	Delivery of expert opinions within reasonable time limits	Number of expert opinions			

	5.2 Organize trainings on development of skills to request mutual administration assistance and MLA under international cooperation, including with regard to observing the reasonable time limits for sending a request for mutual administrative assistance and MLA and receiving a response to the request	Sending and receiving high-quality requests within reasonable time limits	Number of requests sent and received			
	5.3 Adopt appropriate approaches to reducing the time limits for ML proceedings pending trial	Examination and closure of ML cases in court proceedings within reasonable time limits	Number of ML-related criminal judgments			
6. Ensure that effective, proportionate and dissuasive sanctions are applied to natural or legal persons convicted for ML offences	6.1 Conduct a study on effectiveness, proportionality and dissuasiveness of sanctions applied to natural and legal persons convicted for ML offences in 2024-2026	Effective, proportionate and dissuasive sanctions have been applied on persons convicted under ML elements of crime	Conclusions on effectiveness, proportionality and dissuasiveness of sanctions applied to persons convicted under ML elements of crime; Number of natural and legal persons convicted under ML elements of crime, type of sanctions applied			

Priority 3. Conducting effective risk-based supervision

Strategic task	Action	Assessment criteria		Impediments identified	Corrective measures	Implementation status
		Quantitative	Qualitative			
7. Identify and assess ML/TF/PF sector-specific and individual risks of reporting entities	7.1 Conduct a sector-specific study of reporting entities' ML/TF/PF risks to identify and assess sector-specific ML/TF/PF risks	Insight into and understanding by the supervisory body of ML/TF/PF sector-specific risks of reporting entities	Analytical document on assessment of sector-specific risks of reporting entities			
	7.2 Continue performing risk assessment of reporting entities based on new methodologies for risk assessment of reporting entities to identify higher-risk reporting entities and undertake adequate supervisory measures	Insight into and understanding of individual ML/TF/PF risks of reporting entities Separating higher-risk reporting entities	Analytical documents on individual ML/TF/PF risks of reporting entities			
8. Enhance risk-based supervision	8.1 Review guidance for risk-based supervision of reporting entities	Developing the practice of risk-based supervision	Reviewed guidance or new guidance for risk-based supervision			
	8.2 Develop annual supervision plan and schedule based on results of risk assessment of reporting entities		Annual supervision plan and schedule			
	8.3 Organize trainings for supervisory bodies to assess ML/TF risks of reporting entities and		N/A			

	conduct risk-based supervision					
	8.4 Consider the feasibility of introduction of automated systems supporting the ML/TF risk assessment of reporting entities and risk-based supervision, by conducting relevant studies	Insights into automated systems for ML/TF/PF risk assessment and risk-based supervision and their introduction	Availability of study materials on feasibility of introduction of automated systems supporting ML/TF/PF risk assessment and risk-based supervision			
	8.5 Review types of sanctions applied to reporting entities supervised by the FMC, stipulating that warning as a sanction is applied both independently and along with the recommendation for rectifying the violation	Enhanced application of the scope of sanctions for violations of ML/TF requirements to persons supervised by the FMC	Availability of a legal act stipulating warning as a sanction independently and along with the recommendation for rectifying the violation			
	8.6 Study the regulations on advocate-client privilege and grounds for initiating disciplinary proceedings under the Law "On the profession of advocate" and, where appropriate, make legislative amendments for effective supervision	Rectifying the violations related to risk-based supervision and exercise of effective supervision	Availability of study materials or a legal act on absence of impediments to risk-based supervision			
	8.7 Consider identification of crypto assets in analytical processes, the feasibility of introduction of automated systems	Insights into identification of crypto assets in analytical processes, effectiveness of automated systems	Availability of a study material on feasibility of identification of crypto assets, possibility to introduce automated			

	supporting the analysis of crypto-asset transactions , by making relevant studies	supporting the analysis of transactions involving them	systems supporting the analysis of transactions involving them			
	8.8 Incorporate in the annual supervision plan and schedule of banks and wire transfer organizations verification of mitigation mechanisms of ML/TF/PF risks deriving from crypto assets and exercise of supervision	Availability of effective internal control mechanisms for ML/TF/PF risks deriving from crypto assets in banks and wire transfer organizations	Involving verification of mechanisms for mitigation of ML/TF/PF risks deriving from crypto assets in annual supervision plan and schedule: Number of inspections or off-site supervision; in case of detecting violations – their nature and number In case of applying sanctions – their type and number			
	8.9 Introduce – after adopting the legislative package regulating the sector of crypto assets – procedures for identification of crypto asset service providers (CASPs), risk assessment and risk-based supervision	Introducing effective risk-based supervision over CASPs	Availability of procedures for identifying CASPs, risk assessment and exercise of risk-based supervision			
9. Ensure feedback with supervised persons	9.1 Provide to supervised persons feedback on results of risk assessment and supervisory expectations	Developing the practice of providing information on ML/TF/PF risks and supervisory expectations	N/A			

	9.2 Organize trainings on identifying and assessing ML/TF/PF risks of supervised persons, including CASPs, and introducing adequate internal control mechanisms	Insights into own ML/TF/PF risks and mechanisms for countering them	N/A			
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Priority 4. Efficient execution of confiscation

Strategic task	Action	Assessment criteria		Barriers identified	Corrective measures	Implementation status
		Qualitative	Quantitative			
10. Identify, impose attachment on and confiscate the criminal property derived from predicate offences and ML ⁶	10 .1. Conduct parallel financial investigation to identify, impose attachment on and confiscate the funds or equivalent property generated as a result of use of means illegally taken through telecommunication and information technologies and derived from sale of narcotic drugs, including from use of foreign means	Developing the practice of identifying, imposing attachment on and confiscating the funds or equivalent property obtained from use of criminal property	Number of cases of confiscation of funds or equivalent property obtained from use of criminal property and volume of the confiscated property			

⁶ Criminal property involves the property provided for by Article 121 of the RA Criminal Code.

	10.2 Conduct parallel financial investigation to identify, impose attachment on and confiscate the funds generated as a result of use of means derived from corruption crimes, including use of means transferred abroad		Number of cases of confiscation with respect to predicate offences committed in the Republic of Armenia and amounts of means.			
	10.3 Conduct parallel financial investigation to identify, impose attachment on and confiscate the funds generated as a result of use of means derived from tax crimes		Number of cases of confiscation with respect to predicate offences committed in foreign countries and amounts of means.			
	10.4 Organize trainings on identifying, imposing attachment on, confiscating the criminal property		Number of cases of confiscation with respect to means transferred or transported to foreign countries and amounts of means.			

	10.5 Develop a technical guidance on the practice of identifying, imposing attachment on and confiscating the criminal property		Availability of a technical guidance on the practice of identifying, imposing attachment on and confiscating the criminal property			
	10.6 Organize trainings on non-conviction based confiscation of property	Developing the practice of employing other criminal justice measures	Number of cases of use of other criminal justice measures and volume of property confiscated			
11. Ensure that statistical data on attachment and confiscation rates of criminal property, with a breakdown into individual predicate offences, are maintained	11.1 Maintain statistics on volumes of criminal property derived from individual predicate offences ⁷ , to estimate the volumes of criminal property in the country, by individual predicate offences	Developing the practice of setting confiscation as a policy objective	Availability of statistics on volumes of criminal property derived from individual predicate offences			
	11.2 Maintain statistics on attachment of criminal property derived from commission of individual predicate offences ⁸ , to assess the volumes of criminal property under attachment in the		Availability of statistics on imposing attachment on criminal property derived from commission of predicate offences			

⁷ The volumes of criminal property should not involve the damage caused to victims provided under 11.3.

⁸ The volumes of frozen criminal property should not involve the property frozen to recover the damage caused to victims provided under 11.3.

	country, by individual predicate offences					
	11.3. Maintain statistics on damage caused to the State, legal and natural persons, property placed under attachment to recover the damage and the damage actually recovered, with a breakdown into individual predicate offences, to assess - by individual predicate offences - the volumes of damage caused to the victims in the country, the volumes of the property placed under attachment to recover the damage and the volumes of the damage actually recovered.		Availability of statistics on damage caused to the State, legal and natural persons, property placed under attachment to recover the damage, and damage actually recovered, by individual predicate offences			

	11.4 Improve the maintenance and provision of statistical data concerning court proceedings on predicate offences and ML, as prescribed by Decision of the Central Bank of the Republic of Armenia No 93-A of 27 June 2023, including through their digitization and automatic maintenance within the scope of e-justice implementation		Availability of high-quality statistical data concerning court proceedings on predicate offences and ML			
12. Ensure the effective property management	12.1 Study the existing mechanisms of the Republic of Armenia and international practice related to the management of property placed under attachment and confiscated, to introduce effective property management system	Effective mechanisms for management of property placed under attachment and confiscated	Availability of a study material on practice of the Republic of Armenia and the international practice regarding effective management of property placed under attachment and confiscated			
	12.2 Initiate – based on the findings of the study conducted under 12.1 – legislative amendments, where appropriate, to introduce a fund for management of property placed under		Where appropriate, legislative initiative on introducing a fund for management of property placed under attachment and confiscated			

	attachment and confiscated					
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Priority 5. Undertaking effective preventive measures

Strategic task	Action	Assessment criteria		Impediments identified	Corrective measures	Implementation status
		Qualitative	Quantitative			
13. Enhance capacities to disclose through NRA criminal schemes posing ML threat, including to identify ML/TF suspicious situations and provide STR	13.1 Organize trainings for reporting entities on the disclosure through NRA of predicate offences and ML schemes posing ML threat	Developing the practice of identifying predicate offences posing ML threat and ML schemes	N/A			
	13.2 Organize trainings for supervisory bodies on verifying the adequacy of internal control systems within the reporting entity to identify criminal schemes posing ML threat within the scope of on-site and off-site supervision					
	13.3 Organize trainings for non-financial institutions and entities on enhancing capacities to identify ML/TF suspicion criteria and provide STR		N/A			
	13.4 Organize trainings for supervisory bodies and reporting entities on disclosure and prevention of ML/TF risks deriving from circulation of crypto assets	Developing the practice of identifying ML risks deriving from crypto assets	N/A			
	13.5 Assess the quality of provision of STRs and provide feedback to		Availability of documents on			

	reporting entities and supervisory bodies	Providing high-quality STRs	the quality of STRs			
	13.6 Undertake – based on the results of assessment of STRs provided under 13.5 – necessary measures to improve the quality of STRs		Preparing an action plan by the supervisory body			
	13.7 Organize training for FMC employees to improve the capacity to identify ML schemes and new methods resulting from offences posing a threat	High-quality analysis of ML suspicious transactions. Identifying predicate offences posing ML threat and ML schemes and new methods	N/A			
	13.8 Review ML/TF suspicion criteria		Availability of a guidance or other material on ML/TF suspicion criteria, including those involving crypto assets			

	13.9 Develop suspicion criteria for ML/TF involving crypto assets	Identifying ML/TF schemes involving crypto assets				
14. Ensure that CDD processes are consistently implemented	14.1 Organize trainings for non-financial institutions or entities on implementing CDD processes, including identifying the source of property and beneficial owners	Developing the practice of fully performing the responsibilities related to CDD by non-financial institutions	N/A			
	14.2. Undertake measures to ensure that wire transfer entities have adequate tools for acquisition and storage of identification data in cases of card-to-card transfers, transfers from electronic wallets to bank accounts or bank cards and reverse transfers, card-to-card transfers via foreign payment systems, cash deposits via automated self-service terminals	Developing the practice of acquisition and storage of identification data in case of card-to-card transfers by wire transfer entities, transfers from	Availability of tools for acquisition and storage of identification data in case of card-to-card transfers by wire transfer entities, transfers from			

		electronic wallets to bank accounts or bank cards and reverse transfers, card-to-card transfers via foreign payment systems, cash deposits via automated self-service terminals	electronic wallets to bank accounts or bank cards and reverse transfers, card-to-card transfers via foreign payment systems, cash deposits via automated self-service terminals			
	14.3 Initiate legislative amendments to set down a requirement that purchase and sale transactions for immovable property exceeding AMD 50 million must be notary certified	Applying by notaries the CDD requirements to purchase and sale transactions for immovable property exceeding AMD 50 million	Legislative initiative on setting a requirement for purchase and sale transactions for immovable property exceeding AMD 50 million to be notary certified			
15. Enhance capacities related to implementation of targeted sanctions	15.1 Organize continuous trainings of reporting entities and agencies involved, including, where appropriate, with support of international partners, on responsibilities regarding targeted financial sanctions under UNSC Resolutions 1267, 1373 and their successors, as well as methods and risks of sanctions evasion	Understanding by reporting entities of their responsibilities under targeted financial sanctions related to terrorism and PF	Number of cases of identification of persons involved in terrorism and PF and volume of property frozen			

		Developing the practice of identifying and freezing the property of listed persons and institutions				
	15.2 Organize trainings for reporting entities and competent state bodies, including, where appropriate, with support of international partners, on responsibilities regarding targeted financial sanctions under UNSC Resolutions 1267, 1373 and their successors on countering PF, as well as methods and risks of sanctions evasion					
	15.3 Develop PF suspicion criteria	Identifying PF suspicion criteria	Availability of a guidance or other material on PF suspicion criteria			

16. Facilitate the transparency of legal persons	16.1 Consider adding data of beneficial owners of legal persons to the Register of Bank Accounts of the Central Bank of the Republic of Armenia, by conducting relevant study	Developing the practice of adding data of beneficial owners to the Register of Bank Accounts, ensuring compliance with the data	Availability of a study material on possibility to add data of beneficial owners to the Register of Bank Accounts, ensure compliance with the data Legislative initiative on making amendments to relevant legal acts with regard to adding data of beneficial owners to the Register of Bank Accounts, ensuring compliance with the data			
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	16.2 Consider the need to make amendments to the relevant legal acts based on the study under 16.1					
	16.3 Consider the need to introduce procedures for reporting inconsistencies in data of beneficial owners based on alerts from reporting entities, by conducting relevant study					
	16.4 Consider the need to make amendments to the relevant legal acts based on the study under 16.3					
17. Ensure that NCOs that are more vulnerable to TF apply adequate measures for countering TF abuse and risk, including through continuous exercise of risk-based supervision	17.1 Organize trainings for relatively more vulnerable NCOs on their vulnerabilities to TF abuse and risk and applying adequate measures for countering them	Understanding by more vulnerable NCOs their vulnerabilities to TF abuse and risk	N/A			
	17.2 Improve the supervisory body's tools for risk-based supervision over NCOs to enhance the effectiveness of supervision over NCOs more vulnerable to TF abuse and risk, including, where necessary, through review of the guidance on risk-based supervision	Applying adequate supervision measures to NCOs more vulnerable to TF abuse and risk	New supervision tools for TF abuse of NCOs or reviewed guidance on risk-based supervision. Number of NCOs more vulnerable to TF abuse and risk			

	17.3 Inform persons having made donations (donors) to NCOs about vulnerabilities of NCOs to TF abuse and risk	Understanding by donors of NCOs' vulnerabilities to TF abuse and risk	N/A			
18. Enhance capacities to identify ML/TF suspicious situations in case of cross-border transportation of currency valuables and bearer negotiable instruments and ensure that adequate preventive measures are applied	18.1 Organize trainings on ML/TF suspicion criteria in case of cross-border transportation of currency valuables and bearer negotiable instruments, including identifying cases of failure to declare or false declaration, imposing attachment on and confiscating the property	Developing the practice of identifying ML/TF suspicion criteria, including cases of failure to declare or false declaration, imposing attachment on and confiscating property in case of cross-border transportation of currency valuables and bearer negotiable instruments	Number of ML/TF suspicious cases, cases of failure to declare or false declaration in case of cross-border transportation of currency valuables and bearer negotiable instruments. Number of cases of suspension of cross-border transportation of currency valuables and bearer negotiable instruments. Amount of currency valuables and bearer securities			

			placed under attachment and confiscated			
	18.2 Conduct a study on preventive measures for failure to declare, false declaration or other violations provided for by law in case of transportation of currency valuables and bearer negotiable instruments, including on initiated administrative and criminal proceedings, property attachment and confiscation rates within the scope thereof		Availability of a study material on preventive measures applied for failure to declare, false declaration or other violations provided for by law in case of cross-border transportations of currency valuables and bearer negotiable instruments, including on administrative and criminal proceedings			

			initiated, attachment and confiscation rates within the scope thereof			
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Annex 3. ML/TF residual risks identified based on 2021-2023 NRA results, with a breakdown into key actors

1. Law Enforcement and Judicial Framework

- 1) Legalizing the amounts illegally taken through telecommunication and information technologies, as well as obtained from sale of narcotic drugs;
- 2) Legalizing the profit generated from shadow entrepreneurship by concealing the profit from the tax system, transferring unpaid taxes – resulting from false data in tax reports - to various natural and legal persons, including a legal person not engaged in economic activities in the Republic of Armenia;
- 3) Legalizing the amounts illegally taken from the State Budget through alienation - by abuse of authority-related powers - of the community-owned property at prices far below the cadaster value of community-owned immovable property, conclusion of formal agreements in the name of other persons, conclusion of agreements without providing the services;
- 4) Insufficient identification of ML offences provided for by paragraphs 1-3, failure to punish offenders and failure to confiscate the property due to factors hindering the effectiveness of investigation into ML cases (high volume of criminal proceedings, delays in trials, new technologies, lack of knowledge);

2. Private sector and supervisory bodies

- 1) Schemes to transfer – by illegally obtaining the bank card data - the funds on the card to other bank, electronic wallets, including gambling accounts and converting into crypto assets (*Banks, wire transfer entities, organizers of online game of chance*);
- 2) Schemes to make payments for narcotic drugs using bank, electronic wallets, including gambling accounts, transfer of means obtained from sale of narcotic drugs to the platforms engaged in purchase and sales of crypto assets and convert them into crypto assets (*Banks, wire transfer entities, organizers of online game of chance*);
- 3) Schemes to credit and deposit the amounts in cash to the accounts of politically exposed persons or their associates, withdraw the amount from the accounts to acquire immovable property or transfer to another country (*Banks*);
- 4) Schemes to credit cash amounts to the bank accounts of natural persons or make payments for goods and services through bank accounts, designated to avoid tax liabilities (*Banks*);
- 5) Schemes related to transit transfers of financial resources through the bank system of the Republic of Armenia, including by establishing a company in the Republic of Armenia and conducting transactions as if paying for the services provided or goods

supplied, making investments in various financial instruments by foreign issuers (*Banks*);

- 6) Schemes to involve property with high market value at an obviously low market value in major real estate purchase and sale agreements and to certify or to offer to certify the agreement (*Notaries*);
- 7) Failure to identify inadequate internal control processes of reporting entities with respect to the schemes outlined in paragraphs 1-6 and failure to apply a sanction, due to failure to adequately exercise risk-based supervision (failure to assess or partial assessment of risks, low number of inspections, failure to record or inadequate recording of violations) (*Supervisory bodies*).