

## **BUSINESS FROM SENSITIVE SOURCES NOTICE NUMBER 20**

### **PUBLIC STATEMENT UNDER STEP 3 OF MONEYVAL'S COMPLIANCE ENHANCING PROCEDURES IN RESPECT OF BOSNIA AND HERZEGOVINA**

13<sup>th</sup> October 2014

This Business from Sensitive Sources Notice ("BSSN") is made under section 22(3)(b) of the Alderney eGambling Ordinance, 2009. This BSSN supersedes and repeals BSSN number 18 issued on 18<sup>th</sup> August, 2014.

This BSSN is being issued in light of a revised public statement on Bosnia and Herzegovina adopted by the Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL) for States and territories evaluated by MONEYVAL at its 45th plenary meeting (15 –19 September 2014).

#### **ACTION TO BE TAKEN BY EGAMBLING LICENSEES AND CERTIFICATE HOLDERS IN RESPECT OF THE MONEYVAL PUBLIC STATEMENT.**

eGambling licensees and certificate holders must ensure enhanced customer due diligence measures are undertaken and special attention given to all existing and new business relationships and transactions connected with Bosnia and Herzegovina. eGambling licensees and certificate holders must exercise a greater degree of caution and apply controls and measures as required in the Alderney eGambling Regulations, 2009.

The action taken by each eGambling licensee and certificate holder under this BSSN will be reviewed during on-site inspections and by other means as necessary.

#### **THE MONEYVAL PUBLIC STATEMENT**

The Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL) has been concerned since December 2010<sup>1</sup> with deficiencies in the anti-money laundering/combating the financing of terrorism (AML/CFT) regime in Bosnia and Herzegovina.

At its 35th plenary meeting (between 11-14 April 2011) in Strasbourg, MONEYVAL invited Bosnia and Herzegovina to develop a clear action plan in response to MONEYVAL's third

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<sup>1</sup> A graduated series of steps have been applied since December 2010, culminating in February 2014 with a high level mission, under step (iv) of the Rules of Procedure in force at that time, to reinforce MONEYVAL's concerns about Bosnia and Herzegovina's non-compliance with its reference documents.

round mutual evaluation report with realistic timescales for remedying the major deficiencies identified. Additionally, MONEYVAL emphasised that, in order to show a firm political commitment, the agreed action plan should be approved at the Government level. At the 37th plenary meeting (13-16 December 2011) MONEYVAL noted that the Council of Ministers of Bosnia and Herzegovina had considered and adopted the action plan on 10 October 2011. MONEYVAL, at its 44th plenary meeting (31 March to 4 April 2014), noted that the majority of the objectives of the action plan had still not been fully addressed, since necessary amendments to remedy important deficiencies in the Anti-Money Laundering and Counter Financing of Terrorism Law had not been adopted and important amendments to the Criminal Code had been rejected. As a consequence of this MONEYVAL issued a public statement on 1 June 2014.

Although the amendments to the Anti-Money Laundering and Counter Financing of Terrorism Law were adopted and came into force on 25 June 2014, the amendments to the Criminal Code have still not been adopted. MONEYVAL urges Bosnia and Herzegovina to immediately and meaningfully address its AML/CFT deficiencies, in particular by adopting necessary amendments to its Criminal Code.

MONEYVAL continues to call on States and territories evaluated by MONEYVAL and other countries to advise their financial institutions to pay special attention by applying enhanced due diligence measures to transactions with persons and financial institutions from or in Bosnia and Herzegovina in order to address the money laundering and financing of terrorism risks.