



Mandate of the interdepartmental coordinating group on combating money laundering and the financing of terrorism

a) Composition and organisation

The interdepartmental coordinating group on combating money laundering and the financing of terrorism (CGMF) is a permanent interdepartmental structure set up by the Federal Council in 2013. Its mandate is to coordinate policy on combating money laundering and terrorist financing, and to assess risks in these areas.

The CGMF is headed by the FDF (SIF) and is composed of members of management from the following offices¹: FDF (SIF, FCA); FDJP (fedpol, FOJ, FGB); DDPS (FIS); FDFA (DIL, PSD); FINMA and the OAG. With the aim of ensuring wider information and consultation as needed, it will periodically invite other concerned departments to its meetings, in particular the EAER.

The CGMF meets regularly. It carries out its tasks while observing the principle of confidentiality. It may delegate certain tasks to technical working sub-groups.

The CGMF has four permanent technical working sub-groups, which meet regularly and have been assigned specific tasks in the areas of risk assessment, information exchange, coordination of operational matters, processing of foreign terrorist lists and liaison between the authorities and the private sector. The sub-groups are generally staffed from the offices involved in combating money laundering/terrorist financing, and their composition may vary according to the specific needs identified by the CGMF.

b) Tasks

The CGMF:

- serves as a platform for exchanging information and coordinating all issues relating to anti-money laundering and counter-terrorist financing policy;
- continuously assesses the risks of money laundering and terrorist financing, and coordinates the national risk assessment and the sectoral risk analyses;
- ensures that Switzerland's anti-money laundering and counter-terrorist financing policy is consistent with international arrangements;
- informs the departments and offices concerned of the results of its work;
- ensures that the private sector is informed and consulted (with the proviso that the private sector respects confidentiality of information) in the appropriate manner (e.g. by communicating the results of risk assessments);
- regularly (at least once a year) reports to the Federal Council about its activities and, where there is a need for action, submits – via the department concerned – proposals for adjusting the anti-money laundering and counter-terrorist financing

¹ For the sake of readability, the more precise term "offices" is generally used in this mandate. It is intended to also include "authorities"; however, the term "authorities" is sometimes used more generically.

arrangements or other measures (e.g. proposals for measures aimed at mitigating or avoiding the risks identified).

c) Technical working sub-groups

1. Risk Assessment sub-group (led by fedpol)

- This sub-group prepares regular updates on the national risk assessment based on changes in risks, the authorities' needs and their observations, while taking the available resources into account.
- The sub-group submits proposals to the CGMF on subjects for sectoral analysis reports and the distribution of responsibilities (including the overall lead), planning and distribution of the related tasks. It provides guidance during sectoral risk analyses, as well as methodological support.
- The sub-group may commission one or more offices to carry out assessments; the offices are required to support the sub-group in its assessment work.
- When its tasks so require, the sub-group may request consolidated information, especially statistics, from the federal and cantonal authorities and the private sector. The sub-group reviews and interprets the available statistics, checks them for consistency and selects the most relevant statistics for performing a risk assessment.

2. Operational Issues sub-group (led by SIF)

- The sub-group serves as a platform with which the office can exchange information and coordinate all anti-money laundering and counter-terrorist financing policy issues with regard to operational matters. These mainly concern the implementation of anti-money laundering legislation at national level, including through jurisprudence, and collaboration between national authorities on administrative and penal matters.
- The exchange of information between offices complies with official secrecy.

3. Terrorist Lists sub-group (led by SIF)

- Based on Article 22a of the AMLA, the sub-group examines the data transmitted to Switzerland by third countries under United Nations Security Council Resolution 1373.
- The head of the sub-group, after consulting the other members, decides whether to pass on the data received to the supervisory authorities (FINMA, FGB, intercantonal authority and central office) so that they may transmit the information to financial intermediaries subject to their supervision, to supervisory bodies and to self-regulatory organisations.
- As part of its tasks, the sub-group chair coordinates contacts with authorities in third countries.

4. Private Sector Contact Group (led by SIF)

- The Contact Group aims to strengthen dialogue between the authorities and the private sector on combating money laundering and terrorist financing. This general

and multidisciplinary dialogue must focus on results and the upcoming risk assessment activities, as well as on ways to reduce these risks.

- In particular, it must allow the main Federal Administration office involved in combating money laundering and terrorist financing to obtain the views of the private sector on identifying and managing the horizontal and/or sectoral money laundering and terrorist financing risks to which it is exposed.
- The private sector contacts, of which there are around ten, must come from the main sectors subject to the Anti-Money Laundering Act (AMLA). Those invited must have a senior management position, play an operational role at their institution (e.g. chief compliance officer) and have a global overview of risks. They are selected according to the following criteria:
 - five to six people from the banking sector (big banks, medium-sized banks, including cantonal and private banks);
 - one to two people from the insurance sector;
 - one to three people from the non-banking sector.
- As needed and depending on the topics discussed, representatives from offices other than those that are CGMF members, or other representatives from the private sector, especially those from sectors not subject to the AMLA or from academia, may be invited.

d) Procedure for sectoral risk analyses

- The sectoral analyses focus on money laundering and terrorist financing topics that are particularly important and urgent from a domestic perspective, or on topics which need analysing due to international recommendations (especially from the FATF).
- Each sectoral analysis report is prepared under the auspices of a competent office, which is responsible for content and communication. The Risk Assessment sub-group may involve offices other than CGMF member offices in its work. In specific cases where a topic cannot be clearly assigned or where it affects several offices equally, more than one office may assume responsibility.
- At the proposal of the Risk Analysis sub-group and after a discussion within the CGMF, the sub-group submits the topic, together with a proposal on collaboration, organisation and publication, to the competent office(s). If the CGMF is unable to agree on the subject of or responsibility for a sectoral analysis, or if one of the offices to which the CGMF has assigned responsibility disagrees with the assignment, the decision is referred to the Federal Council by the FDF, as the CGMF lead.
- The Risk Assessment sub-group provides guidance and support for sectoral risk analyses. This work includes discussing draft reports, providing methodological support to the competent office(s) and leveraging the know-how of the offices that are members of the sub-group, especially fedpol as the sub-group's own competent office. In particular, the sub-group ensures that consistent methodology in line with international standards is observed. Wherever possible, the competent office takes account of the comments made during sub-group discussions.
- The draft report and potential disagreements within the sub-group are handled by

the CGMF with the aim of finding a consensus between all members with regard to the report's content. If the report contains material or political recommendations, it is submitted to the Federal Council by the department of the competent office(s). Where the report's recommendations are purely technical in nature, the draft is submitted to the Federal Council if the CGMF is unable to agree on key elements of the content. The Federal Council settles the differences.

- After the reports presenting a consensus view are adopted by the CGMF or discussed by the Federal Council, they are published by the competent office(s) as CGMF reports, with the remark "coordinated by the [name of competent office(s)]". The competent office is responsible for communication and for answering questions. Where there is more than one competent office, they agree on which office is responsible for communication. Other interested offices may publish the report on their website by means of a direct link to the site of the competent office.