

1. THE ROLE OF THE NATIONAL OFFICE FOR PREVENTION AND CONTROL OF MONEY LAUNDERING

The National Office for Prevention and Control of Money Laundering is the Romanian Financial Intelligence Unit (FIU) of administrative type, with leadership role on drafting, coordination and implementation of the national system of combating money laundering and terrorism financing.

The National Office for Prevention and Control of Money Laundering started its activity in 1999, functioning as specialized body with legal personality, subordinated to the Government of Romania, which, in accordance with the provisions of art. 19 para (2) of the Law no. 656/2002 on the prevention and sanctioning of money laundering, as well as for setting up some measures for the prevention and combating terrorism financing acts, with subsequent modifications and completions, has as activity object „[...] prevention and combating of money laundering and terrorism financing, for which purpose it receives, analyses, processes information and notifies, according to the provisions of the art.6 para (1), the General Prosecutor’s Office by the High Court of Cassation and Justice”, or in case of transactions that are suspected terrorism financing, it notifies the Romanian Intelligence Service.

2. THE RELEVANT LEGAL FRAMEWORK (see "[LEGISLATION](#)")

- the Law no. 656/2002 on the prevention and sanctioning of money laundering, as well as for setting up some measures for prevention and combating of terrorism financing acts, with subsequent modifications and completions;
- Governmental Decision no. 594/2008 on the approval of the Regulation for the application of the provisions of the Law no. 656/2002 on the prevention and sanctioning money laundering, as well as for setting up some measures for prevention and combating terrorism financing acts;
- Governmental Decision no. 1599/2008 on the approval of the Regulations for the Organization and Functioning of the National Office for Prevention and Control of Money Laundering.

3. THE MANAGEMENT AND THE PERSONNEL

The Office is managed by a President, appointed by the Government, among the Members of the Board of the Office, who acts also as credit release Authority.

The Office’s Board is the deliberative and decisional structure, being made of one representative of each of the following institutions: the Ministry of Public Finance, the Ministry of Justice and Citizenship’s Freedoms, the Ministry of Administration and Interior, the General Prosecutor’s Office by the High Court of Cassation and Justice, the National Bank of Romania, the Court of Accounts and the Romanian Banks Association, appointed for a five-year period, by Government decision. The deliberative and decisional activity refers to the specific cases analyzed by the Office’s Board.

The personnel of the office is formed by financial analysts, specialized supporting personnel which includes assistant analysts, as well as contractual personnel which occupies functions specifically to the budgetary sector, as drivers and unqualified personnel.

In order to fulfill its attributions, the Office has set up its own unit, whose organizational chart was recently modified by Governmental Decision no. 1599/2008 on the approval of the Regulations for the Organization and Functioning of the National Office for Prevention and Control of Money Laundering.

4. THE MAIN FUNCTIONS

The main functions of the National Office for Prevention and Control of Money Laundering are the following, in accordance with the provisions of Law no. 656/2002, with subsequent modifications and completions, and with provisions of GD no. 1599/2008:

- **Receiving, analyzing and processing financial information.** If from the analysis of the data and information processed at the institutional level, it results solid grounds of

money laundering, the Office notifies the General Prosecutor's Office by the High Court of Cassation and Justice, and in case of transactions that are suspected of terrorism financing, it notifies the Romanian Intelligence Service, in accordance with the provisions of the special law, being outlined the dissemination of the information to the competent authorities;

- **Supervision, verification and control of the reporting entities which are not, according to the law, under the prudential supervision of other authority.** Its implementation consists in totality of the evaluations and systematical supervision of the risks indicators of money laundering realized at the headquarters of the Office - off-site and at the headquarters of the reporting entities - on site;

- **The Office's function as responsible factor in the international sanctions regime,** by entering into force of the Law no. 217/2009 on the approval of the EGD no. 202/2008 on applying some international sanctions, taking into account its quality of supervisor for those reporting entities which are not, according to the law, under the prudential supervision of other authority (based on the provisions of the art. 17 para 1 letter d) of the Law no. 656/2002, consequently amended and completed);

- **The prevention and combating terrorism financing acts.** The Office, through its attributions set up by the legislation, has an important role in prevention and combating terrorism financing acts, being a component of the National System for Prevention and Combating the Terrorism (.N.S.P.C.T.). It actively takes part, in accordance with its competence, for stopping the activity of possible flows to finance the activities of terrorist groups, as well as for analyzing and evaluating the TF risks of the reporting entities.

- **Receiving, processing and analyzing requests of information.** In order to perform complex analyses, which involve financial operations with foreign elements, the Romanian FIU is active on international level, enhancing the exchange of information with foreign institutions which have similar functions to the Office, in order to prevent and combat money laundering or terrorism financing, in accordance with legal provisions.

- **The Office's cooperation with national and international authorities,** in order to operatively fulfill its activity object.

- **The management of human, financial and accountancy resources and realization of internal public audit.**

In accordance with the legal provisions, the Office receives from the reporting entities three types of reports:

- Suspicious Transactions Report;
- Cash Transaction Reports in RON or foreign currency, which exceed the threshold of 15.000 euro,
- External Transaction Report in and from accounts, for amounts exceeding the threshold of RON equivalent of 15.000 Euro.

The Board's Decision no. 674/29.05.2008 establishes the form and content of the above-mentioned three types of reports.

At international level, the National Office for Prevention and Control of Money Laundering has become member of Egmont Group since May 2000.

The Egmont Group is an international organization of the Financial Intelligence Units, established in 1995, which ensures the effectiveness of the exchange of information and know-how in the field of money laundering and terrorism financing acts. Currently, the Egmont Group has 116 members.

In accordance with the Best Practices on Exchange of Information, taking into account the reciprocity principle, the Financial Intelligence Units exchange financial information, based on a standard Memorandum of Understanding (MOU) which is negotiated and concluded between the Egmont's members.

Also, related to the information exchange, we mention that at EU level it was created the European Platform FIU.NET through which is materialized the cooperation between the Financial Intelligence Units from Members States in the field of prevention and combating money laundering and terrorism financing.

From technical point of view, the FIU.NET is a secure system formed by a decentralized computers network, designated for connecting the Financial Intelligence Units from European Union using the modern technology in realizing the exchange of financial information.

The National Office for Prevention and Control of Money Laundering became a member of the FIU.NET network in 2004, following to the Regional Phare Programme 2003-2005, which was implemented by the FIU.NET Bureau from the Ministry of Justice of Netherlands.

Currently, within the DGJLS Project of the European Commission – the Action “FIU.NET - Towards Improved Ways of Exchanging Information” no. JLS/2007/ISEC/591 (2007-2009), the National Office for Prevention and Control of Money Laundering has the role of Partner in the management body of this Project.