



**10th UNITED NATIONS CONGRESS**  
**ON THE PREVENTION OF CRIME AND THE**  
**TREATMENT OF OFFENDERS**  
**HIGH LEVEL SEGMENT**  
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Mr. President, Ladies and Gentlemen,

It is a great honour and privilege for me to address this High Level Segment of the 10th United Nations Congress on the Prevention of Crime and Treatment of Offenders.

Since this is the first time that my delegation takes up the floor, allow me to congratulate you upon your election.

I would also like to congratulate the Secretariat for the preparation of such outstanding documentation, which stimulates and guides our deliberations.

Mr. President,

My delegation would like first to state that Cyprus subscribes to the positions presented on 14 April 2000 by the European Union in the Statement delivered through its Presidency, Portugal.

Therefore, the intervention of my delegation on the topic of money laundering should be considered as an additional national contribution.

Mr. President,

The last decade of the 20th century witnessed the emergence of new challenges to the international community, national governments and societies.

These challenges are different from those we have known in the past in nature, scale and intensity. Among these challenges organized crime in all its forms and manifestations has gained in scope and sophistication.

The process of globalization and its components - trade, finance, communication and information technologies - have provided the necessary ground and environment in which organized crime finds it profitable to operate and develop, hence the necessity for enhanced vigilance both, at national and international level, and the imperative necessity for co-operation.

Since gaining independence 40 years ago, Cyprus has made progress in economic and social development. In spite of the country's small size, its lack of natural resources and the terrible events of 1974 resulting in the division of the island, the Government of Cyprus has cautiously pursued policies, which have resulted in steady economic growth, a high level of gainful employment, and welfare equally spread over all strata of the population.

The Republic of Cyprus has a record of commitment to the principles of democratic pluralism, human rights, the rule of law and the open market economy. Cyprus is currently engaged in negotiations with the European Union for its accession to the Union.

The openness of Cyprus' society and economy is a basic factor, which has contributed to a successful economic and political institutional development. Nevertheless, this openness gives rise to challenges similar to those in other countries with comparable economic and social systems. These challenges and problems resemble, in many respects, those encountered in other international business centres. However, in the case of Cyprus, these challenges are accentuated by the island's geographical location in the Eastern Mediterranean, where

political and social problems and internal and international conflicts, pose difficulties of an unusual nature.

In addition to the more obvious social and political problems that characterise some parts of the Eastern Mediterranean region, specific issues arise with respect to narcotics production and trafficking and money laundering of funds obtained through criminal or illegal activity.

In order to prevent and combat money laundering in a situation where the economy is open and the rule of law prevails, Cyprus has adopted appropriate measures.

The Government of Cyprus attaches top priority to the need for an adequate and effective response. To this effect, it has introduced an appropriate legal and institutional framework, promoted enforcement capabilities, developed appropriate policies and implemented effective measures. Within this context it has intensified bilateral and multilateral co-operation to address and deal with the problem effectively.

The policies of Cyprus for countering money laundering may be summarized as follows:

1. The adoption of the appropriate legislative framework.
2. The establishment of the proper implementing and enforcement mechanisms. These mechanisms comprise a Unit for Combating Money Laundering, Supervisory Authorities for the Stock Exchange, the Co-operative Societies and the Insurance Companies, the setting-up of an Advisory Authority to which representatives of the public and the private sector are represented, the issuing of compulsory directives on preventive controls to the banking sector.
3. The conduct of a consistent dialogue with the private sector especially with groups involved in financial matters like lawyers, accountants and others.

4. Last but not least, the enhancement of international and regional co-operation particularly with the Select Committee of Experts on the Evaluation of Anti-Money Laundering Measures of the Council of Europe (PC-R-EV), the Financial Action Task Force (FATF) of the OECD and foreign agencies like TRUC17IN, NCIS, FINCEN and others.

Money laundering is a phenomenon of our times. It knows no boundaries, no limit and no country is exempt, especially, given the globalization of markets. It is a scourge that countries have to deal with in unison.

Cyprus has adopted the necessary legislative measures, both at national and international levels, in order to keep laundered funds out of its structures and contribute to the international efforts for the suppression of this crime.

The legislative measures adopted are used as a framework to built on and initiate all Procedures and practical measures necessary to fight money laundering effectively.

In order to combat money laundering the competent Cypriot authorities are developing full co-operation with foreign countries and international organisations. The goal is common and its accomplishment demands mutual efforts. International co-operation is an essential component for its success.

Cyprus is ready to discuss and adopt any additional legislative and regulatory measures in force in other countries that have contributed effectively to the elimination of this phenomenon.

It is also ready to co-operate with international organisations and any other state aiming at preserving the world economic and social structure free and secure from such activities.