



DECREE

OF THE PRESIDENT OF THE REPUBLIC OF AZERBAIJAN On Establishment of the Financial Monitoring Service of the Republic of Azerbaijan

Systematic and complex measures are being taken to strengthen the fight against legalization of criminally obtained funds or other property and financing of terrorism in the Republic of Azerbaijan. In recent years, as a result of the large-scale measures taken to address the global economic challenges and protect the state and social interests, a number of important achievements have been made in excluding the conditions allowing for abuse of the financial system with the purpose of legalization of criminally obtained funds or other property and financing of terrorism, establishing a legal mechanism for the detection and prevention of offenses.

The Republic of Azerbaijan, taking into account new international challenges, in order to identify the framework of the system of combating legalization of criminally obtained funds or other property and financing of terrorism in the country, implemented a risk assessment project, made significant contributions to international initiatives and cooperation. The reforms implemented in this field in our country, including the improvement of legislation, strengthening of institutional capacity, creation of accountability system, achievements in the field of advanced technology have been highly appreciated by the Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism.

Diversification of financial services delivery channels and expansion of international relations, development of information and communication Technologies defines the new goals related to the supervision system in the field of combating legalization of criminally obtained funds or other property and financing of terrorism.

In order to achieve the indicated goals necessitates the establishment of a coordinating mechanism to strengthen the capacity of government agencies and to effectively coordinate their activities in this field, to enhance the efficiency of cooperation between them and the exchange of information, and enhance international cooperation in the field of combating legalization of criminally obtained funds or other property and financing of terrorism.

Guided by Article 32, paragraph 109, of the Constitution of the Republic of Azerbaijan, in order to improve the compliance with the requirements in the field of combating legalization of criminally obtained funds or other property and financing of terrorism, strengthen the capacity of the supervisory body, and increase effectiveness of the coordination of activities of the relevant public authorities and institutions, I order the following:

1. Financial Monitoring Service of the Republic of Azerbaijan shall be established.
2. It shall be determined that Financial Monitoring Service of the Republic of Azerbaijan (hereafter – the Service) is a funded from the state budget public legal entity implementing unified regulation and supervision as well as coordination in the field of combating legalization of criminally obtained funds or other property and financing of terrorism.
3. The Administration of the President of the Republic of Azerbaijan shall develop the draft charter of the Service and submit it to the President of the Republic of Azerbaijan within one month.
4. Fulfillment of the founder's authorities in the Service shall be entrusted to:
 - 4.1. President of the Republic of Azerbaijan:
 - 4.1.1. excluding those referred to in paragraph 4.2 of this Decree, to address other issues related by Article 8.2. of the Law of the Republic of Azerbaijan “On public legal entities”;
 - 4.2. Service:
 - 4.2.1. to determine development directions.
5. The Cabinet of Minister of the Republic of Azerbaijan:
 - 5.1. to submit proposals to the President of the Republic of Azerbaijan within three months on harmonization of the laws of the Republic of Azerbaijan in connection with establishment of the Service;
 - 5.2. to submit proposals to the President of the Republic of Azerbaijan within three months to bring the acts of the President of the Republic of Azerbaijan in line with this Decree;
 - 5.3. to provide the harmonization of normative legal acts of the Cabinet of Ministers of the Azerbaijan Republic to this Decree within three months and inform the President of the Republic of Azerbaijan on this;
 - 5.4. to keep control over compliance of normative-legal acts of central executive bodies with this Decree and inform the President of the Republic of Azerbaijan about its implementation within five months;
 - 5.5. together with the State Property Matters Committee of the Republic of Azerbaijan to solve issues on technical provision of the Service, to conduct inventory of the state property serving the activities of the Financial Markets Supervision Authority of the Republic of Azerbaijan, take measures on the transfer of that state property to the Service and inform the President of the Republic of Azerbaijan within three months on this;
 - 5.6. to solve other issues, arisen from this decree.
6. The Ministry of Justice of the Republic of Azerbaijan shall inform the Cabinet of Ministers of the Republic of Azerbaijan on ensuring compliance of normative legal acts and normative acts of central executive bodies with this Decree.

Ilham ALIYEV
President of the Republic of Azerbaijan

Baku, May 25/2018
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