



Republic of Palau *Office of the President*

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Executive Order No. 406

To amend Executive Order No.362 and order that all members of the Money Laundering Working Group in Palau engage in regular quarterly meetings; and to create a Financial Crimes Investigation Unit.

WHEREAS, the Republic of Palau, as a responsible member of the international financial community, has taken important steps to strengthen its anti-money laundering regime in order to ensure that Palau will not be used as a safe haven for criminal or terrorist financial activities; and

WHEREAS, the Republic of Palau is committed to the twin goals of detecting and preventing all forms of money laundering and the financing of terrorism; and

WHEREAS, to better coordinate the Republic's efforts in the fight against money laundering, illicit financial activities, and the financing of terrorism, it is necessary to form a working group of the relevant executive branch agencies;

NOW THEREFORE, by virtue of the authority vested in the President of the Republic of Palau, pursuant to the Constitution and applicable laws of the Republic, it is hereby ordered that all members of the Money Laundering Working Group are to meet at least once every quarter, or more frequently if necessary, and that Executive Order No. 362, governing the Money Laundering Working Group, is hereby amended to state as follows:

- (a) **Membership.** The Money Laundering Working Group (MLWG) shall be composed of the following members:
- (1) The Chairman of the Financial Institutions Commission, who shall serve as the Working Group's Chairman; and
 - (2) The Attorney General, or his/her designee; and
 - (3) The Executive Commissioner of the Financial Institutions Commission; and
 - (4) The Director of the Financial Intelligence Unit; and
 - (5) The Director of the Bureau of Public Safety, or his/her designee; and
 - (6) The Director of the Narcotics Enforcement Agency, or his/her designee; and
 - (7) The Anti-Terrorism Coordinator, Ministry of Justice; and
 - (8) The Director of the Bureau of Customs and Border Protection; and
 - (9) The Director of the Bureau of Revenue and Taxation; and



(10) The Post Master General; and

(11) The Special Prosecutor

(b) **Duties and Functions.** The Money Laundering Working Group shall have the following duties and functions:

(1) Coordinate the Republic's overall fight against money laundering and the financing of terrorism; and

(2) Work on and produce an annual National Risk Assessment on Money Laundering and Terrorist Financing in the Republic of Palau; and

(3) Work to cultivate key allies and relationships with law enforcement officials assigned to combat money laundering and transnational crime in the international community in general, and, in particular, with Palau's closest neighbors, the U.S. Territory of Guam, the Federated States of Micronesia, the Republic of the Philippines, Japan, Singapore, Thailand, the Republic of Korea, the Republic of China, and the Republic of Indonesia, in order to facilitate the exchange of information, evidence, and resources, as appropriate, and generally endeavor to prevent money laundering activities from taking place across international borders; and

(4) Recommend amendments to Palau's money laundering laws and law enforcement mechanisms available in order to strengthen Palau's money laundering law enforcement capabilities; and

(5) Provide for the timely exchange of information between the relevant government agencies relating to suspected money laundering and financing of terrorism activities and related indicators of such activities; and

(6) Facilitate opportunities for sharing limited resources; and

(7) Enhance the communication and coordination of efforts to combat money laundering and the financing of terrorism; and

(8) Develop joint targeting strategies to concentrate the Republic's efforts at combating money laundering and the financing of terrorism; and

(9) Make good faith efforts to link any money laundering activities to an illicit activity and work with appropriate law enforcement personnel to investigate and prosecute both the money laundering activities and the illicit activity that produces the money being laundered; and

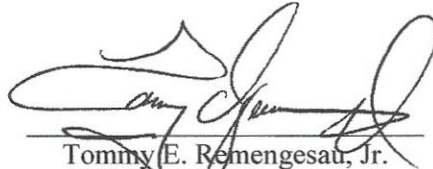
(10) Develop and enhance common law enforcement and regulatory training activities; and

(11) Jointly profile or identify common suspects.



- (c) **Administrative Support.** Administrative support to the MLWG shall be provided by the FIC, FIU, the Office of the Attorney General, and such other government agencies as deemed necessary by the Director of the FIU.
- (d) **Meetings:** All members of the MLWG shall meet at least once every quarter and provide a quarterly report to the President of the Republic on its activities.
- (e) **Creation of a Financial Crimes Investigation Unit.** In order to enhance the investigative capabilities of the Republic's law enforcement authorities toward effective money laundering investigations, the MLWG shall create a Financial Crimes Investigation Unit (FCIU). The FCIU shall be comprised of one designated investigator and one alternate investigator from each of the following agencies:
- Bureau of Customs and Border Protection;
 - Narcotics Enforcement Agency;
 - Criminal Investigations Division;
 - Palau Postal Service; and
 - Bureau of Revenue and Taxation.
- (1) The FCIU shall meet at least once a month, or more frequently as necessary, to review selected Suspicious Transaction Reports (STR) received by the FIU to determine which STRs should be disseminated and which member or members of the FCIU shall undertake any such investigation. Assigned investigators shall report back to the FCIU monthly on the progress, if any, on any such investigation.
- (2) The nature and extent of any investigation undertaken by the FCIU, including the nature or subject of any STR, shall be confidential and shall not be discussed outside the FCIU.
- (3) FCIU meetings shall be chaired by the Director of the FIU and, in addition to the members of the FCIU, shall be attended by one prosecutor from the Attorney General's Office and by the Special Prosecutor.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 22nd day of November, 2017:


Tommy E. Remengesau, Jr.
President of the Republic of Palau