



Return to: PO Box 202, 1000 AE Amsterdam, The Netherlands

Date April 3, 2019

Subject Save the date: expert-meeting on illicit financial flows | May 24, 2019

Dear Sir / Madam,

Last year the City of Amsterdam organized a conference on illicit financial flows in the city and the future of digital money. We look back on a fruitful and well-attended conference. Please find the Flying Money reader that is developed attached. This publication demonstrates the results of the conference as well as other relevant articles on illicit financial flows and related financial crimes.

An important outcome of the conference was that it is relevant and important for European cities to remain in contact on the impact of international illicit money-flows. The impact of criminal money, often with an international background, on the livability in our cities is significant. We are confronted with suspicious investments in real estate, hotels, retail, restaurants, clubs, and other businesses. This phenomenon is particularly, but not exclusively, urgent in larger European cities. These developments not only undermine the legitimacy of financial systems, but also the social structures in our urban areas and ultimately our public legal order in society. Countering the impact is a key priority for our city-government.

As a follow-up to our conference in 2018, we would therefore like to invite you to a meeting on illicit financial flows on **24 May 2019 in Amsterdam**. This follow-up meeting would serve to continue the exchange of practices and methodologies, and we propose to build further on some important developments at European level.

One of these developments has been at the European Parliament. The EP has a special parliamentary committee (Tax 3 committee) on financial crimes, tax evasion and tax avoidance. This committee organized a public hearing on the role of European cities in combatting illegal money flows last February. Not only the Head of the department of Public Order and Security of the City Of Amsterdam, Ilse Verkerk contributed. Other cities contributed as well. For example, Deputy Mayor Janet Sanz from the City of Barcelona. During the hearing the need for more efficient cross-border cooperation and exchange of data and information was repeatedly raised. As well the weak implementation by Member States of the Anti-Money-laundering directives. The Tax3 end-report was adopted by the European Parliament last March 26th. Here are two relevant statements worth highlighting:

1. The Parliament states that it 'is concerned about the rise of money laundering in the context of other forms of business activities, in particular the phenomenon of the so-called 'flying money' and 'notorious streets'; and it stresses that stronger coordination and cooperation between local and regional administrative and law enforcement authorities is necessary in order to address these issues in European cities'.

2. The Parliament 'underscores the problem of money laundering through investment in real estate in European cities through foreign shell companies; recalls that the Commission should assess the necessity and proportionality of harmonizing the information in the land and real estate registers and assess the need for the interconnection of those registers; calls on the Commission to accompany the report with a legislative proposal, if appropriate; takes the view that Member States should have publicly accessible information in place on the ultimate beneficial ownership of land and real estate'

You may find the end report [here](#).

Furthermore, since the conference last year, the City of Amsterdam is in touch with the European Commission. In particular with DG Just (Unit on Financial Crime) and DG Home (Unit on Organised Crime) on tax-evasion and money-laundering. They are interested in sharing their work and approach on illegal money flows in a follow-up meeting on Flying Money.

#### Save the Date

To build on these developments, we propose to meet on **Friday 24 May 2019** in Amsterdam. The programme will be a combination of sharing practices on combating illegal money and related (criminal) activities, as well as having one or two guest-speakers (from the European Commission, for instance). One of the targets would be to develop a common understanding of what kind of European actions are needed to facilitate information exchange benefiting cities. We are still working on the programme, which will follow in due course.

Although many European cities are faced with the negative impacts from illegal money flows, we are aware that there are sometimes significant differences in local or regional responsibilities related to this domain. We do think it is needed to further European cooperation in this field and we therefore invite you to see which colleague in your city's or region's administration would be most interested in participating the proposed follow-up session.

Replies of interest to participate in our programme can be sent to our colleague Renée van den Elsen, email: [r.van.den.elsen@amsterdam.nl](mailto:r.van.den.elsen@amsterdam.nl).

Please do so by **Friday April 19<sup>th</sup>**.

Kind regards,

Bart de Graaf, Head of Public Order and Security, City of Amsterdam.

Harro Homan, director Public Affairs and Governmental Projects, City of Amsterdam