Financial Action Task Force

Groupe d'action financière

SUMMARY OF THE
THIRD MUTUAL EVALUATION REPORT
ANTI-MONEY LAUNDERING AND
COMBATING THE FINANCING OF TERRORISM

GREECE

29 JUNE 2007

EXECUTIVE SUMMARY

1. Background Information

1. This report provides a summary of the AML/CFT measures in place in Greece as of November 2006 (the date of the on-site visit). The report describes and analyses those measures and provides recommendations on how certain aspects of the system could be strengthened. It also sets out Greece's levels of compliance with the FATF 40 + 9 Recommendations (see attached table on the Ratings of Compliance with the FATF Recommendations).

2. Greece's legal requirements in place to combat money laundering and terrorist financing are generally inadequate to meet the FATF standards and there are some serious concerns about the effectiveness of the AML/CFT system in place. The AML Law came into force in August 1995 and was amended in December 2005 in order to expand the scope and clarify certain aspects of the definition of ML. In general, it appears that the ML offence is not effectively implemented. The limited data on prosecutions and convictions for ML show that there is a very low rate of conviction. The criminalisation of terrorist financing is very recent (July 2004) and there have been no FT cases as yet. The provisions in relation to confiscation of criminal proceeds do not fully comply with the international standards and the lack of statistics inhibits the measurement of the current level of implementation. The level of implementation of S/RES/1267(1999) and S/RES/1373(2001) is inadequate. Generally, the data and other information available are not sufficient to positively conclude that there is an effective system for investigating, prosecuting and taking related action on ML and FT cases in Greece.

3. The Greek FIU has been assigned extensive powers and responsibilities, and there is a clear desire on the part of the authorities to create an effective FIU that can lead the fight against money laundering and terrorist financing. However, the evaluation team has serious doubts about the current structure and capacity of the unit to properly perform its tasks and functions, in particular the traditional core functions of an FIU. Greece should address as a matter of priority the issues of a structural nature that are raised by the current FIU model.

4. The preventive system that deals with customer identification is generally insufficient and not in line with the international standards. The Bank of Greece (BOG), after the enactment of the new AML Law, has taken the initiative to introduce more comprehensive requirements for the financial institutions under its supervision. In relation to the reporting obligation, given the size and increasing sophistication of criminal activity in Greece, the total number of suspicious transactions reports appears low, with virtually none from outside the banking sector. Moreover, the results in terms of cases passed on are also inadequate. There are deficiencies in AML/CFT supervision in the banking area and, to a more severe extent, in the securities sector. Measures are non-existent in the insurance sector. Although DNFBPs are now covered by the requirements under the AML Law, there are serious concerns regarding the level of awareness and commitment to implementation of effective AML/CFT measures by the non-financial businesses and professions.

5. There is no comprehensive study of the amount of money earned from criminal activity or how it is laundered. However, in 2006 the Ministry of Economy and Finance prepared a study of the proceeds earned from four types of illegal activity: illegal prostitution, drug trafficking, and cigarette and alcohol smuggling. In that study, the estimated gross amount earned in 2000 from those four forms of criminal activity is approximately €1.6 billion (1% GDP in 2000). It is thus expected that the proceeds of all crimes in Greece would be very significant amount.

6. Limited information is available on the most commonly used money laundering methods and techniques. Greek investigations have revealed the use of banks, investment firms, mutual funds, offshore companies, bureaux de change, newly founded companies, and traders of precious metals. In the majority of the cases, "traditional" placement methods, e.g. bank deposits and share acquisition in the Athens Stock Exchange (ASE), as well as other methods of layering, such as structured domestic and international transactions performed by relatives and other third parties connected to the predicate offenders, have been used.

7. Greece is perceived by the authorities as a low risk country for terrorist financing, though it has in the past been subject to some domestic terrorist activity. As for financing international terrorism, no assets of terrorist groups or terrorists have been found in Greece so far. The Greek authorities are not aware of alternative remittance systems operating in the country (although the assessors were told that such systems take place using call centres), but again, no systemic study has been conducted to ascertain their existence. Greek authorities did note however the use of cross-border cash transfers, particularly using tourist buses, which may suggest potential TF risks.

8. A wide range of financial institutions exists in Greece: credit institutions and financial institutions/organisations that include the following companies and services: life insurance companies, portfolio investment companies, mutual fund management companies, real estate investment companies, management companies of mutual funds investing in real estate, investment intermediation companies, investment services firms including members of the Stock Exchange, consumer credit companies (leasing and factoring), bureaux de change, and money remittance firms. A range of designated non-financial businesses and professions became subject to the AML Law as of 13 December 2005. Greece is currently in the process of further reviewing its legislation for the purposes of implementing the third EU Money Laundering Directive.

2. Legal System and Related Institutional Measures

9. ML is defined by Article 1.B of the AML Law and the definition's physical and material elements closely follow and are in line with those set out in the Vienna and Palermo Conventions. However, the interpretation of proof of the predicate offences seems restrictive and certainly makes prosecution of ML, in particular "third-party" laundering, difficult.

10. Greece has opted for a combination of a list of predicate offences and a threshold approach. Certain of the FATF "designated categories of offences" are not expressly included in the AML Law and the catch-all provision for other predicate offences has a threshold which only includes predicate offences where the offence "generated a property of at least EUR 15,000". The ancillary offences of attempt, aiding and abetting, facilitating and counselling the commission of the money laundering offence are adequately covered in the Penal Code. With regard to conspiracy, the act of joining another person for the purpose of committing a misdemeanour punishable by imprisonment of at least one year, aiming at an economic or other material benefit could potentially apply to a concerted act of ML. The available data on prosecutions and convictions is limited, but it appears that the conviction rate is very low, and that the offence is not therefore effectively implemented.

11. Neither Greek law in force nor legal doctrine recognise the principle of corporate criminal liability and there are no fundamental or constitutional principles of domestic law prohibiting holding corporations criminally liable. The basic penalties for natural persons (5-10 years imprisonment) and for legal persons (an administrative fine of up to nearly EUR 3 million) involved in ML would appear to be adequate. However, certain other provisions reduce the effectiveness and dissuasiveness of these penalties (in particular, the ML sentence cannot exceed the sentence for the predicate offence and there is also concern about the provisions that allow a defendant to pay a fine instead of serving a prison sentence for sentences

of less than a year). The exact scope and mechanisms for implementing the civil and administrative liability of legal persons for criminal offences are also difficult to identify.

12. While some of the material elements of the FT offence correspond to those required under Article 2 of the U.N. Convention and Special Recommendation II of the FATF, the scope of the offence is too narrow as it does not make it a crime to collect or provide funds or material support to terrorist individuals or for specific terrorist acts. In addition, terrorist financing is not an offence in itself, whether or not a terrorist act has actually occurred and whether or not funds were used to finance a particular act. The defence to the law in Article 187.A (8) is very broad and appears to create the potential to completely undermine and negate the intentions of the provision.

13. Regarding the scope of seizure and confiscation, the different provisions are not sufficient to fully address the FATF standards. The law does not appear to permit confiscation of indirect proceeds and there is considerable uncertainty as to whether Greek authorities can confiscate instrumentalities intended for use in ML or a predicate offence. Courts have not been given the power to void or prevent actions involving the proceeds of crime from the time the predicate offence was convicted. Powers of seizure do not extend to all property that could be the proceeds of crime and general confiscation legislation does not provide for freezing on an *ex parte* basis, with the right to appeal. The powers to trace, seize, freeze and confiscate have not been used by investigators since the powers required are set out in a number of different pieces of legislation.

14. With regard to S/RES/1267 (1999) and S/RES/1373 (2001), Greece has implemented some measures through the EU Regulations but has taken very limited action to implement the resolutions for the provisions that are not covered by the EU legal instruments. Greek authorities have not frozen any funds under either UNSCR 1267 or UNSCR 1373. However, the current process for notifying ministries and the financial sector of entities on UN lists would take too long and therefore these entities would not be able to comply with freezing terrorist assets without delay. Greece has not yet provided guidance to financial institutions or DNFBPs on freezing assets of listed entities without delay, and does not monitor FIs and DNFBPs for compliance with measures taken under the Resolutions, apart from the passing of relevant information to the appropriate authority. There are no clear and publicly known procedures for de-listing and unfreezing in appropriate cases.

15. The Greek FIU was originally set up in 1995 and became operational in July 1997. After the amendment of the AML Law in 2005, the Greek FIU was upgraded into an independent administrative authority, and given extensive powers in certain areas. It is composed of the President and eleven part-time members proposed by ministries, supervisory authorities and the private sector (the Committee members). While the Greek authorities have a clear intention to create a strong, independent and effective FIU, which would take a leading role in AML/CFT matters, the current structure, organisation and resourcing of the FIU raise serious concerns.

16. The FIU has limited access to all financial, administrative and law enforcement information it requires to properly undertake its functions. At the time of the on-site visit, it was also severely understaffed (especially with regard to skilled financial analysts) and critically lacked organisational and technical resources to fully and effectively perform its functions. The FIU also needs to take enhanced measures to ensure that the information it holds is more securely protected. The periodic reports that are published on the Unit's activity are not sufficiently comprehensive (especially in relation to detailed statistics, typologies and trends). Fom 2001 to 2006, only 1.5 to 3.5% of STRs received have been sent to the public prosecutor. Greece needs to restructure the FIU for it to be effective, for example, this could include tasking the President and Committee members with a broad oversight and/or coordination role at national level and leaving specialised staff to perform the daily task of investigating incoming STRs.

17. The powers and capacity of the law enforcement services are generally sound. The FIU is allocated preliminary investigation powers with respect to offences punishable under the AML Law. The Hellenic Police is the national agency responsible for the detection and investigation all types of crime (including drug law violations and terrorism). The Special Control Service (SCS) within the Ministry of Economy and Finance (MOEF) is authorised to investigate any cases of ML relating to tax-related offences, customs offences and other types of economic crime which constitute predicate offences for ML. The Hellenic Customs service is authorised to investigate predicate offences related to smuggling, tax fraud and other customs offences. All ML and FT cases are prosecuted by the Greek prosecution office, which refers the cases to the investigative magistrate. The investigations of financial crimes in Greece have focused for a long time on the predicate offence and not on the ML offence or proceeds of crime as such, and a more proactive approach to detecting and exposing third party ML cases as opposed to self-laundering should be developed. More resources should be dedicated to investigations in relation to CFT and to the prosecution service. Consideration should also be given to making use of special investigative techniques in relation to ML and FT as they have proved successful in relation to drug trafficking and consideration should be given to a greater specialisation of prosecutors and judges in financial crime and ML cases.

18. Greece has not implemented comprehensive measures to detect the physical cross-border transportation of currency and bearer negotiable instruments that are related to ML or FT. The authorities in charge of monitoring the entry and exit of goods and persons are the police (or port authority regarding water ports) and the Hellenic customs authority, but there is no obligation to declare currency or bearer negotiable instruments that are being imported or exported. However, the implementation of the EC Regulation on Cash Control will result in changes to Greek requirements.

3. Preventive Measures - Financial Institutions

19. In Greece, the preventive side of the AML/CFT system is based on the AML Law. Except for insurance brokers and agents, the AML Law covers all of the financial institutions defined by FATF. Three regulatory agencies have been designated as "Competent Authorities" under the AML Law. They have been given the power to issue binding regulations and/or comprehensive guidelines and are responsible for the AML/CFT supervision of Greek financial and credit institutions. These are: (1) BOG for banks and other credit institutions, leasing and factoring, bureaux de change, and money remitters; (2) Hellenic Private Insurance Supervisory Committee (HPISC) for insurance companies (the supervision of insurance companies is being transferred from the Ministry of Development to the HPISC); and (3) Hellenic Capital Market Commission (HCMC) for securities firms. The BOG and the HCMC have adopted further enforceable requirements with sanctions for non-compliance. The provisions issued by the MOD/ID are non-binding guidance and the MOD itself has had no legal status as a competent authority since the amendment of the AML Law in December 2005. Greece has not adopted a risk-based approach in full, and there has been no thorough assessment of the various AML/CFT risks, but the BOG has introduced certain risk-based elements into its new requirements.

20. In relation to the required customer due diligence measures, certain basic requirements are set out in the AML Law and these have been recently expanded by BOG requirements in the BOG Governor's Act 2577/2006, which sets out more comprehensive requirements for institutions regulated by the BOG. As regards customer identification requirements, not all of the basic obligations are currently set out in law or regulation. The AML Law does not fully impose a requirement for financial institutions to conduct CDD in all cases contemplated by Recommendation 5.

21. The AML Law and guidance issued by the competent authorities on the identification of legal persons, partnerships and other legal arrangements is fragmented, and contains inconsistencies and gaps; while the measures on ascertaining beneficial ownership should be strengthened. The requirement to ascertain the purpose and nature of the business relationship does not extend to the securities and insurance

sectors, and provisions concerning ongoing due diligence and simplified and enhanced due diligence are insufficient. The CDD requirements relating to existing clients are not fully satisfactory. Laws, regulations and other mechanisms should be amended to ensure that the full CDD requirements are implemented.

22. The requirement to identify and take relevant enhanced measures in relation to politically exposed persons (PEPs) does not extend to the securities and insurance sectors and is incomplete in relation to the financial institutions supervised by the BOG. The provisions of the BOG in relation to cross-border correspondent banking are broadly satisfactory, but do not cover banks in EU Member States. The requirement for financial institutions to have measures to prevent misuse of technological developments is limited and the current means proposed for dealing with the risks of non face-to-face business appear to be too limited generally. There is currently some uncertainty within the regulated sector as to whether third parties are being relied upon to carry out CDD, or whether they are strictly being used in an outsourcing context. The existing provisions from the BOG are not fully consistent with the FATF standards.

23. Bank secrecy is imposed for deposit accounts at credit institutions under Law 1059/1971. However, there is a lack of clarity on the extent of Law 1059/1971, and what its interaction is with the AML Law and other legal provisions. In particular, the provisions lifting bank secrecy in the AML Law appear only to apply to money laundering. Although it may not currently be a problem in practice, Greece should clarify exactly when Law 1059/1971 is over-ridden by other statutory provisions, and clarify the provisions of the AML Law on matters such as the scope of money laundering/terrorist financing.

24. Greece's record-keeping requirements are generally satisfactory. In relation to SR.VII, Greece relies principally on the implementation of the EU Regulation on the payer accompanying transfers of funds that has been in force since 1 January 2007, though some limited provisions are contained in the AML Law and BOG requirements. The Regulation meets many of the technical requirements of the FATF standard. However, the derogation set out in the EU regulation for wire transfers within the EU (classified as domestic transfers) is not in compliance with the FATF requirements under SR.VII[1] and there are currently no sanctions for non-compliance with the EU regulation, and the sanctions regime in Greece generally is neither effective nor dissuasive. Finally, in terms of effectiveness, there is insufficient evidence of its implementation, given its recent enactment.

25. The current requirements to pay special attention to all complex and unusual large transactions that have no apparent economic or lawful purpose do not adequately meet the FATF standards. The obligation to give special attention to business relationships and transactions with persons from countries which do not follow the FATF Recommendations is not met either.

26. The AML Law requirement to report STRs in Greece covers both suspicious transactions and any other incident that could be an indication of criminal activity, and the basic legal measures are covered. However there are also some important omissions, most notably the non-coverage of insurance agents and brokers and the requirement to submit STRs in respect of all predicate offences. The obligation to report attempted transactions should be clarified. In general, the effectiveness of the reporting system is inadequate, with very few STRs being made outside the banking system, while the conversion rate of STRs leading to law enforcement investigations may be an indication that the quality of the reports is poor. Existing guidelines to assist financial institutions to implement the reporting obligation are incomplete and are insufficient to meet the FATF requirements. The BOG, the HCMC and the HPISC should adopt sector-specific guidance with updated information on ML and FT trends and techniques, and a broader scope in order to comprehensively address the FATF requirements. The FIU should provide greater and a further range of feedback to competent authorities and reporting institutions to assist in improving the quality of STRs submitted.

[1] The FATF decided at the June 2007 Plenary to further consider this subject.

27. Financial institutions supervised by the BOG are required to have internal controls but the link to AML/CFT provisions should be strengthened (e.g. in relation to the requirement to put in place screening procedures to ensure high standards when hiring employees). The implementation of the requirements has not been evidenced as yet. For the securities and insurance sectors, existing requirements are either very general or non-existent. The AML Law provisions are insufficient to address all of the requirements of Recommendation 22.

28. The provision that prevents SIs to enter into, or continue, correspondent banking relationships with shell banks only applies to SIs operating in non-EU countries and there is no obligation on financial institutions to satisfy themselves that a respondent financial institution in a foreign country does not permit its accounts to be used by shell banks.

29. The BOG and the HCMC have been given appropriate powers to monitor and ensure compliance by financial institutions with their AML/CFT requirements. However, the implementation of existing provisions is challenging for the BOG and the HCMC (due in particular to a lack of resources). The Ministry of Development previously had the power to conduct on-site inspections in the insurance sector but has not used that power in the AML/CFT area, but it is expected that this will change when the HPISC takes over supervision. The BOG should implement a risk-based supervisory program for AML/CFT and adopt a more systematic consolidated approach to the supervision of AML/CFT policies and risk management systems. The BOG should also improve the quality of the supervision carried on in bureaux de change and money remittance companies. The HCMC and the HPISC should similarly implement a robust supervisory programme for AML/CFT purposes with proper inspection procedures.

30. The MOD/ID has not imposed any sanctions on the firms they supervise. The BOG has imposed sanctions, but the most usual requirement takes the form of a non-interest bearing deposit and this applies to all types of breaches, whatever their seriousness. No information on sanctions imposed is published. In practice, the sanctions that have been applied in many cases have been the minimum permissible. The supervisory authorities should ensure that the sanctions in place fully meet the FATF standards i.e. are effective, proportionate and dissuasive and are implemented properly.

31. The Greek authorities should introduce a licensing requirement for insurance agents by the insurance regulator to enable application and enforcement of the AML/CFT legal requirements in this sub-sector. Fit and proper tests should be conducted for all directors of credit institutions. The Greek authorities should also review the existence of informal remittance businesses for purposes of registration of licensing and oversight for AML/CFT purposes.

4. Preventive Measures – Designated Non-Financial Businesses and Professions (DNFBPs)

32. The obligations laid down in the AML Law apply to the following non-financial professions and businesses: chartered accountants, auditors, independent accountants and audit firms; tax consultants, tax experts and related firms; real estate agents and companies; casinos (including internet casinos) and entities engaging in gaming activities; auction houses; dealers in high value goods and auctioneers, whenever the transaction value exceeds EUR 15,000 to be paid as a lump sum or in instalments; notaries and lawyers when they engage in a range of activities that are covered by the FATF Recommendations. AML/CFT measures do not apply to TCSPs, despite the fact that some businesses offer company formation services in Greece. In addition there is a lack of effective coverage of certain types of casinos: internet casinos are covered by law but no action is being taken in practice, and casino type gambling facilities are being offered on Greek operated ships leaving from Greece, but no AML/CFT measures appear to apply.

33. The main deficiencies in the AML/CFT preventative measures applicable to financial institutions as set out in the main AML Law (i.e. Recommendations 5, 6, and 8-11 and described above) apply also to DNFBPs, since the core obligations for both DNFBPs and financial institutions are based on the same general AML/CFT regime, but there are some additional weaknesses since the more comprehensive requirements issued by the BOG do not apply.

34. Practical application is extremely limited e.g. there is a serious lack of awareness of the requirement to submit STRs in the DNFBP sector. This raises serious concerns in relation to the effectiveness of the measures in place. DNFBPs are subject to the requirement to establish adequate procedures of internal control and communication in order to forestall and prevent operations related to money laundering and terrorist financing. However, when they exist the control requirements are very general. Equally, none of the DNFBPs have been provided with guidance on submitting STRs.

35. In practice, no AML/CFT supervision is being undertaken (although Greece has assigned competent authorities to supervise the relevant DNFBPs), and compliance with the provisions in the AML Law is ineffective with regard to these non-financial professions. Greece should take steps to fully implement the provisions of the AML Law in respect of DNFBPs. In particular the relevant competent authorities should take urgent steps to raise awareness of the relevant provisions of the AML Law as they apply to the DNFBPs they supervise, to develop guidance relevant to the individual sectors, and to undertake appropriate monitoring.

5. Legal Persons and Arrangements & Non-Profit Organisations

36. There are several different types of legal persons in Greece, characterised by their nature, function and legal status. Greek law provides for two main structures for the purpose of carrying on a business for economic gain: companies and partnerships. Apart from these business organisations, provision is also made for single traders, joint ventures, and branch offices and foreign companies. Businesses organised as companies limited by shares are the most significant economically.

37. The information available in the different existing companies' registries relates to the composition of the board of directors as indicated in the articles of incorporation of the company. The changes of shareholders are not registered. The measures currently in place to ensure adequate transparency concerning the beneficial ownership and control of legal persons are incomplete and insufficient. Information is decentralised in registers across 52 prefectures, is often not computerised and is not transparent. A centralised registration system for all legal persons should be established. Competent authorities do not have access in a timely fashion to adequate, accurate and current information on beneficial ownership and control. There should be easier gateways to access ultimate beneficial ownership and control records by the competent authorities, in a timely manner.

38. Under current Greek law, there is no appropriate provision to ensure transparency as to the share ownership (direct or indirect) of corporations that have issued bearer shares, except in the case of corporations listed on a stock exchange. The Greek authorities should either remove the power to issue bearer shares from their law or otherwise take measures to ensure adequate transparency regarding the beneficial ownership of such shares. Trusts cannot be set up and are not recognised in any way under Greek law.

39. The different legal forms in which non-profit organisations can operate in Greece are: civil societies, associations, foundations and committees for collection. Their statutes are detailed in the Greek Civil Code and associations and foundations are the most common forms. Greece has not carried out a review of its non-profit sector and is unable to provide information on the activities, size and other relevant features of this sector. The Greek authorities consider that the non-profit organisations sector is not at risk of being

used for FT. Greece has not implemented the FATF requirements in this area and the various basic requirements with regard to registration and record keeping are not sufficient to meet the FATF standards. Greece should implement adequate measures in line with the international requirements.

6. National and International Co-operation

40. The development, co-ordination and implementation of AML/CFT policy in Greece is carried out through the MOEF. The MOEF is also responsible for coordinating the activities of the supervisory authorities. Co-operation and co-ordination mechanisms are ad hoc and generally insufficient and should be improved. There are no effective mechanisms in place which would enable the police, SCS, the Customs, the FIU, and other competent authorities (e.g., regulators) to coordinate domestically with each other, and together implement a national policy to combat ML and FT[2]. Greece should, as a matter of priority, develop and implement effective mechanisms to enable all authorities dealing with AML/CFT issues to co-operate and collaborate closely and effectively with each other, and as noted above, the FIU Committee could play a key role in such co-operation and co-ordination.

41. Greece ratified the Vienna Convention in 1991 and signed the Palermo Convention in 2000, though it has not yet ratified the latter. Greece ratified the International Convention for the Suppression of the Financing of Terrorism in 2002. Certain aspects of the ML and FT offences should be strengthened in order to ensure a proper implementation of the international Conventions. Moreover, Greece has partially implemented the UN Conventions' provisions relevant to the FATF recommendations.

42. Incomplete and imprecise information is available on the mutual legal assistance system in Greece and the effectiveness of the measures and mechanisms in place is difficult to assess. There may be delays when dealing with requests that are not transmitted directly to the Greek judicial authority but the lack of systematic compilation of data and statistics on all incoming and outgoing requests prevents to form a comprehensive view on the use of mutual legal assistance. It seems that the dual criminality requirement in the context of mutual legal assistance deserves some clarification and clear guidance. The apparent ambiguity regarding dual criminality as regulated under the applicable treaties and the domestic legal framework on the one hand and contradictory judicial practice on the other should be resolved. There are also concerns as to whether Greece would be able to provide mutual legal assistance in all cases involving FT and ML as required by the FATF standards, due to the definitions of those offences and the requirement for dual criminality. In the absence of a treaty, the apparent limitation on the forms of assistance available for mutual assistance appear to constitute an obstacle to undertaking certain types of investigatory acts that are authorised in the domestic context.

43. In Greece, extradition is carried out on the basis of bilateral or multilateral intergovernmental agreements, with concurrent application, as the case may be, of the relevant provisions of the Criminal Procedure Code for those matters not regulated by the agreements. In case an extradition issue arises between Greece and another country without a relevant agreement being in place, the extradition is carried out only on the basis of the reciprocity principle, and always in conformance with the relevant procedural provisions.

44. The extradition process seems to work efficiently despite the workload of the officials handling extradition requests. There is relatively little experience with "pure" ML cases and none with regard to the financing of terrorism. The current limitations in relation to the criminalisation of ML and FT potentially have an impact on Greece's ability to extradite persons sought for these offences. There are also potentially

[2] The MOEF Decision of 22 February 2007 introduces formal mechanisms for exchanging information between the MOEF, the FIU and the supervisory authorities.

some cases where extradition could be limited because a different threshold of punishment exists for some of the predicate offences of ML. Finally, there is a risk that the dual criminality requirement for extradition is applied in a narrow sense (the assessment team cannot ensure that differences in the manner in which Greece and the requesting country categorise or denominate the predicate offence do not pose an impediment to the provision of mutual legal assistance). There is a lack of statistics in relation to extradition requests.

45. The supervisory authorities (BOG, HCMC and the Ministry of Development) have been given the power to exchange information with their foreign counterparts. The HCMC and the MOD/ID have not received requests for such cooperation in the AML/CFT area and therefore the effectiveness of their respective procedures cannot be measured. As far the BOG is concerned, there is little indication that cooperation with its counterparts is effective and is provided in line with the FATF standards.

46. In general, law enforcement authorities can engage in a wide range of international co-operation. However, due to the lack of personnel and technical resources, there are serious doubts about the FIU's capacity to provide the widest range of international cooperation to its counterparts in a rapid, constructive and effective manner. The Greek FIU should ensure its access to the FIU.Net in order to secure and increase the exchange of information with its foreign counterparts. More generally, it is essential to provide the FIU with more appropriate resources to fulfil its tasks, including at the international level. Given the lack of statistical data, the evaluation team was not able to determine that the mechanisms for international co-operation are fully effective.

7. Other issues

47. The Greek criminal justice system allows for a full rehearing of all criminal cases in the Court of Appeal. The assessment team was advised that a very large majority of convicted defendants in criminal cases exercise their right to a full rehearing of the case in the Court of Appeal. Legal costs are also apparently lower than in many other countries. These factors, combined with the resources available to the courts and to the criminal justice system appear to create an overburdened criminal justice system with inherent long delays. The assessment team was informed that an average criminal case for a serious offence would take approximately five years from the time that a case was first passed to an investigating judge, through to the completion of the hearing in the Court of Appeal. However it was stated that money laundering cases would be fast-tracked so that they may only take an average of three years to complete. The assessment team believes that the combination of factors as described above may impact adversely on the ability of the system to commence and complete money laundering and terrorist financing cases within a reasonable timeframe.

48. As a member of the EU, Greek law has been greatly influenced by European Union law and the "*acquis communautaire*". Greece has also been active ratifying international conventions and adopting (in a rather protracted way) domestic legislation to respond to its international commitments. In the criminal law area and its extension in AML/CFT matters, Greece has adopted a large set of repressive measures that generally lack the precision and the quality that is required by international and domestic law in order to impose efficient AML/CFT systems. In their project to adopt a new AML Law, the Greek authorities should elaborate a more harmonised and sophisticated set of measures in line with international standards keeping in mind the necessary elaboration and integration with existing domestic legislation.

Table 1. Ratings of Compliance with FATF Recommendations

The rating of compliance vis-à-vis the FATF Recommendations should be made according to the four levels of compliance mentioned in the 2004 Methodology (Compliant (C), Largely Compliant (LC), Partially Compliant (PC), Non-Compliant (NC)), or could, in exceptional cases, be marked as not applicable (NA).

Forty Recommendations	Rating	Summary of factors underlying rating
Legal systems		
1. ML offence	PC	• the predicate offences for ML are limited by the threshold of EUR 15,000, and terrorist financing is inadequately criminalised as a predicate offence; • the offence of ML effectively requires the prosecution to prove all the elements of the predicate offence; • self-laundering is not clearly criminalised; • the limited data available indicates that the offence is not being effectively implemented, as shown by the very low number of convictions
2. ML offence – mental element and corporate liability	PC	• criminal liability does not apply to legal persons and there is no fundamental principle of law prohibiting it; • taking all the relevant provisions into account, penalties are not sufficiently dissuasive (the sentence for money laundering cannot exceed the sentence for the predicate offence with regard to a misdemeanour); • there are doubts about the effectiveness of the current administrative sanctions regime; • the limited data available indicates that the offence is not being effectively implemented, as shown by the very low number of convictions.
3. Confiscation and provisional measures	PC	• indirect proceeds cannot be confiscated; • seizure does not extend to all property that is the proceeds of crime; • courts cannot void or prevent transactions from the time the crime has been committed; • there is insufficient evidence to indicate the current provisions have been effectively implemented and used; • generally, there is a lack of uniformity when applying the confiscation provisions which raises issues of effective implementation.
Preventive measures		
4. Secrecy laws consistent with the Recommendations	PC	• it has not been clearly shown that bank secrecy has been fully lifted by the AML Law. The AML Law potentially only lifts bank secrecy for STRs in respect of money laundering.
5. Customer due diligence	PC	• the requirement to conduct CDD does not extend to all sectors of the financial services sector (notably insurance brokers and agents); • the basic obligations, such as when to conduct CDD or measures to identify legal persons are not consistently set out in law or regulation; • there are no secondary and more detailed requirements for the insurance sector; • the duty to conduct CDD is not extended to all of the situations required by the FATF Recommendations, notably where there is a suspicion of money

		laundering or terrorist financing, and where doubts arise as to previously obtained CDD information; • simplified due diligence measures in the general law appear to be unduly permissive; • there is a lack of clarity in the simplified due diligence measures in the BOG Governor's Act Annex 4; • the law, guidance and industry practice in relation to identifying legal persons is not in line with FATF requirements; • the law and guidance in relation to ascertaining beneficial ownership is fragmented and inconsistent. The obligation for identifying the beneficial owners of legal persons is too limited and there is no obligation to take proactive steps to identify persons who exercise ultimate effective control of the customer; • no obligation to apply enhanced measures for high risk customers in the securities and insurance sectors; • there are only limited requirements to conduct ongoing CDD for firms supervised by the HCMC and the MoD; • allowing a period of 30 days to complete verification of the identity of two categories of high risk customers is not in line with FATF requirements; • there are limited requirements to conduct CDD in respect of existing clients in the AML Law and the securities and insurance sectors; • the requirement to ascertain the nature and purpose of the business relationship is not clearly set out in the AML Law or provisions issued by the competent authorities; • the BOG measures have just been adopted and there is very limited evidence that AML/CFT measures have been effectively implemented.
6. Politically exposed persons	NC	• the requirement to identify and conduct CDD on PEPs does not extend to the securities and insurance sectors; • BOG Governor's Act applies the requirements relating only to PEPs from countries outside the EU; • the nature and extent of the enhanced CDD measures required for PEPs are not clearly stated; • the requirement to identify a PEP's source of wealth is not explicitly stated; • BOG Governor's Act does not require a SI to obtain senior management approval before setting up a business relationship with a PEP; • the BOG measures have just been adopted and there is no evidence generally that AML/CFT measures have been effectively implemented.
7. Correspondent banking	LC	• the definition of "cross-border" is too narrow, and excludes EU member states; • the BOG measures have just been adopted and there is no evidence generally that AML/CFT measures have been effectively implemented.
8. New technologies & non face-to-face business	PC	• there are no requirements for the securities or insurance sectors; • there is no requirement for SIs to have measures to prevent misuse of technological developments; • the means proposed for dealing with the risks of non face to face business issued by the BOG appears to be limited to customers having an account with a financial institution based in the EU.
9. Third parties and introducers	PC	• the BOG has introduced specific provisions for third party reliance but they are partially inconsistent and do not address all the requirements under Recommendation 9; • there is no provision for third party reliance in the general AML Law or the

		HCMC/MOD provisions; • insurance brokers/agents are not covered by the AML Law, and there is lack of clarity over the role they play in the customer due diligence process.
10. Record keeping	LC	• the provisions on record keeping in the AML Law do not clearly require keeping business correspondence; • there are no specific record-keeping requirements or guidelines to ensure that (i) transactions can be fully reconstructed, and (ii) recorded information is available on a timely basis to domestic competent authority.
11. Unusual transactions	PC	• there is no specific requirement in the AML Law or guidance to monitor all complex, unusual large transactions unless they raise specific suspicions of ML or TF; • BOG guidance is not sufficiently clear and appears to suggest that certain findings need only be documented when consideration is given to submission of an STR; • the provisions adopted by the HCMC limit the requirement to monitor transactions that could be connected with ML; • the MOD/ID Circular does not contain any requirement for insurance companies as set out in Recommendation 11.
12. DNFBP – R.5, 6, 8-11	NC	• similar technical deficiencies in the AML Law relating to Rec. 5, 6 and 8-11 that apply to financial institutions also apply to DNFBPs (see comments and ratings in Section 3.2); • although DNFBPs are technically subject to various provisions of the AML Law, practical application is extremely limited. This raises serious concerns in relation to the effectiveness of the measures in place; • no AML/CFT measures apply to TCSPs; • internet casinos are covered by law but there is no action taken in practice; • it is unclear if casinos on Greek owned or operated vessels are covered by the AML Law.
13. Suspicious transaction reporting	PC	• insurance agents and brokers are not covered by the obligation to report; • not all predicate offences required in Recommendation 1 are included in scope; • not all the required aspects of terrorist financing are included in the scope of the reporting requirement; • industry practice would suggest that not all attempted transactions are reported; • the weaknesses in the STR system (especially low numbers in total and very low numbers of STRs outside the banking system) raise significant concerns in relation to the effectiveness of the reporting system.
14. Protection & no tipping-off	C	Recommendation 14 is fully met
15. Internal controls, compliance & audit	PC	• *for FIs supervised by BOG*: the requirements on internal controls (e.g. screening procedures) are not fully AML/CFT oriented and there are doubts about their proper implementation by SIs; • *for the FIs supervised by HCMC and in the insurance sector*: existing requirements are either very general (on internal procedures and controls and screening procedures) or non-existent (on independent audit function and training).
16. DNFBP – R.13-15 & 21	NC	• similar technical deficiencies in the AML Law relating to Rec. 13, 15 & 21 that apply to financial institutions also apply to DNFBPs (see comments and ratings in Sections 3.6, 3.7 & 3.8);

		• although DNFBPs are covered by the scope of the AML Law, in practice nothing has been done to implement the provisions within the DNFBP community, and thus practical application is extremely limited. This raises serious concerns in relation to effectiveness of the measures in place; • no AML/CFT measures apply to TCSPs; • there are insufficient detailed requirements concerning the implementation of internal controls.
17. Sanctions	PC	• *for FIs supervised by the BOG*: (1) the current use of sanctions (non-interest bearing deposit) is neither effective nor dissuasive; (2) the range of sanctions imposed is not sufficiently broad and is not proportionate to the severity of a situation; (3) the implementation of sanctions to FIs directors or senior management is uncertain; • *for FIs supervised by the HCMC*: (1) based on the information available, there is insufficient evidence to show that the sanctions regime in place offers a sufficiently broad range of sanctions for failing to comply with AML/CFT requirements: (2) due to the very low volume of compliance monitoring carried out by the HCMC, the effectiveness of the sanctions regimes cannot be measured; • *for FIs supervised by MOD/ID*: there is insufficient information to show that the MOD/ID has the authority to impose sanctions for non-compliance with the AML Law and MOD Circulars. No sanctions have been imposed for AML/CFT breaches.
18. Shell banks	LC	• there is no obligation on financial institutions to satisfy themselves that a respondent financial institution in a foreign country does not permit its accounts to be used by shell banks.
19. Other forms of reporting	NC	• there is no evidence that Greece has considered implementing a system for reporting currency transactions across all regulated sectors.
20. Other NFBP & secure transaction techniques	LC	• Greece has not taken sufficient steps to encourage the development and use of modern and secure techniques for conducting financial transactions that are less vulnerable to money laundering.
21. Special attention for higher risk countries	NC	• absent an NCCT list, there are effectively no requirements for the securities sector; • there are no requirements for the insurance sector; • banking sector guidance does not contain any directly relevant criteria pursuant to which SIs should examine with special attention countries that are not applying the FATF Recommendations; • industry practice suggests that very limited measures are currently being taken and that there is no effective implementation.
22. Foreign branches & subsidiaries	PC	• the AML Law provisions are insufficient to address all the elements of Recommendation 22; • *for FIs supervised by BOG*: Greek provisions do not explicitly require branches and subsidiaries of Greek SIs located in third countries to apply the higher standard, to the extent that local laws and regulations permit; • *for the FIs supervised by HCMC and in the insurance sector:* (1) the HCMC and MOD/ID provisions do not apply to subsidiaries; (2) there is no requirement applicable to the securities and insurance sectors to pay particular attention to situations where branches and subsidiaries are based in countries that do not or insufficiently apply the FATF Recommendations; (3) there is no explicit provision to require FSIs to inform their home country supervisor when a foreign branch or subsidiary

		is unable to observe appropriate AML/CFT measures because this is prohibited by local laws, regulations or other measures.
23. Regulation, supervision and monitoring	PC	*Market entry* • absence of a licensing requirement for insurance agents; • fit and proper tests are not conducted for all directors of credit institutions; *Supervisory programme and procedures* • BOG: the current supervisory programme adopted by the BOG raises important doubts in terms of effectiveness (lack of resources and qualified personnel, quality of inspections); • HCMC AML/CFT supervision of securities firms is very recent and effectiveness has not been demonstrated; • MOD/ID: there is no AML/CFT supervision of insurance companies.
24. DNFBP - regulation, supervision and monitoring	NC	• although most DNFBPs are now included within the scope of the AML Law, little, if any, effective supervision is currently taking place; • there is a lack of designed supervisors for some DNFBPs; • the regime for supervision of DNFBPs is ineffective, as is demonstrated by the lack of awareness among firms; • it is unclear whether ship casinos are covered by the AML/CFT Law; • no AML/CFT measures apply to TCSPs.
25. Guidelines & Feedback	NC	• very little feedback is given by the FIU or other competent authorities; • BOG guidance on STRs is not sufficiently specific to cover the diverse sector it supervises • Other BOG guidelines are very general and their relevance to certain SIs (e.g. money remitters and leasing companies) is limited; • HCMC and MOD/ID guidelines are incomplete and generally too broad • with regard to DNFBPs, there is no current guidance issued by competent authorities on AML/CTF; • the FIU does not provide guidance/feedback to the DNFBPs
Institutional and other measures		
26. The FIU	NC	• the FIU is inappropriately structured to properly and effectively undertake its functions; • the current composition and functions of the Committee raise potential conflicts of interest when dealing with STRs that adversely affect the FIU's operational independence and autonomy and potentially could lead to undue influence or interference; • reporting forms and procedures have not yet been provided to all reporting entities; • the FIU does not have adequate and timely access to all the financial, administrative and law enforcement information it requires to properly perform its functions; • there are insufficient physical and electronic security systems to securely protect the information held by the FIU; • the reports published by the FIU do not provide adequate information on statistics, typologies and trends; • in practice, there are real issues as to whether the Egmont principles are applied in relation to security of information and the FIU is not connected to the Egmont Secure Web thus impacting effective co-operation; • the lack of human resources, the paper based STR system, the lack of appropriate IT infrastructure and the current system for processing STRs has resulted in a serious lack of effectiveness in the FIU, which in turn

		impedes the overall effectiveness of the AML/CFT system.
27. Law enforcement authorities	LC	• the system put in place by the AML Law does not prevent parallel investigations (and then duplication of efforts) on ML or FT cases; • the resources of the prosecution service are insufficient for it to effectively perform its functions, taking into account the structure of the criminal justice system and the appeal procedures. • the data and other information available is insufficient to demonstrate that the ML/FT investigation and prosecution process is effective.
28. Powers of competent authorities	C	Recommendation 28 is fully met.
29. Supervisors	PC	• while appropriate supervision powers have been given to the BOG, there is limited capacity of the BOG to use them in an effective way; • sanction powers of BOG are inadequate; • the HCMC has only recently started to use its supervision powers and there is insufficient evidence of effectiveness, • the MOD/ID has not used its supervision powers in the AML/CFT area.
30. Resources, integrity and training	NC	*in relation to the FIU*: • the FIU is understaffed and critically lacks organisational and technical resources to fully and effectively perform its functions (in particular, there is no permanent financial analysts); *in relation to the law enforcement authorities*: • insufficient resources are allocated to ML and FT investigations in the Hellenic Police and the Customs and the training in AML/CFT matters is generally insufficient; *in relation to the prosecution authorities* • insufficient resources are allocated to the over-worked public prosecutor service; *in relation to BOG*: • the BOG lacks sufficient numbers of staff with specialist qualifications and expertise in AML/CFT matters to enable it to carry out its supervisory duties effectively; *in relation to HCMC:* • the HCMC dramatically lacks staff with relevant AML/CFT qualifications, skills and experience to carry out its supervisory powers; *in relation to MOD/ID* • the MOD/ID dramatically lacks qualified staff to carry out its supervisory powers.
31. National co-operation	PC	• mechanisms for cooperation between the FIU, law enforcement, supervisors and other competent authorities are insufficient and ineffective to address the need for domestic AML/CFT coordination; • there is no regular review of the effectiveness of the AML/CFT system.
32. Statistics	NC	*Review of the effectiveness of the AML/CFT system* • Greece does not review its AML/CFT system on a regular basis. *Collection of statistics* • *in relation to the FIU*: no statistics on the number of requests made or received by/from foreign FIUs, including whether the request was granted or refused, and on spontaneous referral made to foreign authorities; • *in relation to law enforcement authorities/MOJ*: no statistics on ML/FT investigations, prosecutions and convictions, and on property frozen, seized and confiscated;

		• *in relation to mutual legal assistance*: (1) no statistics on requests relating to freezing and confiscation made or received; (2) no statistics on requests relating to TF; (3) no statistics on requests relating to predicate offences; (4) generally no statistics on the nature of the request, whether it was granted or refused and the time to respond; • *in relation to extradition*: (1) incomplete statistics on requests relating to ML, TF and predicate offences; (2) no statistics on requests relating to predicate offences; (3) generally no data on the nature of the request, whether it was granted or refused and the time to respond; • *in relation to the BOG*: no statistics on the formal requests for assistance made or received by BOG, including whether the request was granted or refused.
33. Legal persons – beneficial owners	NC	• there is no requirement to collect or make available information on beneficial ownership and ultimate control of legal persons; • the system in place does not provide access to adequate, accurate and current information on beneficial ownership and ultimate control in a timely manner; • there is no appropriate measure to ensure transparency as to the shareholders of corporations that have issued bearer shares (unless the corporation is listed on a stock exchange).
34. Legal arrangements – beneficial owners	NA	• Trusts are not recognised under Greek law. There are no other legal arrangements similar to trusts that exist in Greece. .
International Co-operation		
35. Conventions	PC	*Ratification of the Palermo Convention*: • Greece has not ratified the Palermo Convention; *Implementation of the Palermo Convention*: • the scope of the ML offence is too limited (see comments in relation to Rec.1); • self-laundering is not properly criminalised in Greece, and this cannot be justified on the basis of its being contrary to the Greek fundamental law (see comments in relation to Rec.1); • the penalties are not dissuasive and there are doubts about their effectiveness (see comments in relation to Rec.2); *Implementation of Vienna Convention*: • The Greek provisions do not permit the confiscation of indirect proceeds (see comments in relation to Rec.3). *Implementation of the Terrorist Financing Convention*: • the penalties are not dissuasive and there doubts about their effectiveness (see comments in relation to Rec.2); • the CDD requirements are inadequate and the implementation of STR reporting is not fully effective (see comments in relation to Rec.5 & 13).
36. Mutual legal assistance (MLA)	LC	• in the absence of a treaty the apparent limitation on the forms of assistance available for mutual assistance appear to constitute an obstacle to undertaking certain types of investigatory acts that are authorised in the domestic context ; • the effectiveness of the current laws cannot be demonstrated due to the lack of quantitative and qualitative data; moreover the overloaded court system seems to have impacted on effectiveness; • the current limitations in relation to the criminalisation of ML and FT may have a impact on Greece's ability to deliver mutual legal assistance in

		ML/FT cases.
37. Dual criminality	LC	• there is a lack of consensus on the scope and application of the dual criminality requirement; • there is a risk that the dual criminality requirement for extradition is applied in a narrow sense
38. MLA on confiscation and freezing	LC	• Greece has not considered establishing an asset-forfeiture fund; • Greece's limitations on the definition of ML may limit its ability to seize and confiscate property derived from predicate offences that are covered by the AML Law.
39. Extradition	LC	• the current limitations in relation to the criminalisation of ML may have a impact on Greece's ability to extradite persons sought for this offence; • there are potentially some cases where extradition could be limited because a different threshold of punishment exists for some of the predicate offences of ML (some threshold are below the two year threshold applicable in extradition cases).
40. Other forms of co-operation	PC	• due to a lack of personnel and technical resources and limited database access, there is an issue of effectiveness with regard to the information exchange of the FIU with foreign authorities on AML matters; • there are no formal statistics to suggest that cooperation between financial supervisors and their counterparts in AML matters is effective and is provided in line with the FATF standards.
Nine Special Recommendations	Rating	Summary of factors underlying rating
SR.I Implement UN instruments	PC	*Implementation of the Terrorist Financing Convention*: • the CDD requirements are inadequate and the implementation of STR reporting is not fully effective (see comments in relation to Rec.5 & 13). *Implementation of S/RES/1267(1999) and S/RES/1373(2001):* • the current process does not allow freezing of terrorist assets without delay (see comments in relation to SR.III); • Greece has a limited ability to freeze funds in accordance with S/RES/1373(2001) of designated terrorists outside the EU listing system (see comments in relation to SR.III).
SR.II Criminalise terrorist financing	PC	• the scope of the offence is excessively narrow as it does not make it a crime to collect or provide funds or material support to terrorist individuals or for specific terrorist acts; • terrorist financing ought to be a stand alone offence for which prosecution is available, regardless of whether the group actually carries out or attempts a specific terrorist attack; • the defence in Article 187A(8) is too broad and appears to undermine and negate the intentions of the provision; • it is unclear that Article 2.5 of the Terrorist Financing Convention is applicable in relation to the FT offence; • administrative liability with regard to the financing of terrorism is too restrictive; • criminal liability does not apply to legal persons and there is no fundamental principle of law prohibiting it; • there have been no TF cases and it is too early to assess whether the offence is effectively implemented.

SR.III Freeze and confiscate terrorist assets	PC	• the definition of funds in the EC Regulations does not fully cover the terms in SR III and assets that are wholly owned or controlled by a listed entity are not covered; • Greece has a limited ability to freeze funds in accordance with S/RES/1373(2001) of designated terrorists outside the EU listing system; • the current process for notifying ministries and the financial sector of entities on UN lists takes too long and therefore these entities would not be able to comply with freezing terrorist assets without delay; • Greece does not provide guidance to financial institutions as well as DNFBPs on freezing assets of listed entities without delay and does not monitor FIs and DNFBPs for compliance with measures taken under the Resolutions; • there are no sanctions for failure to follow freezing requests; • processes for de-listing and unfreezing funds are not publicly known and it is impossible to determine their effectiveness, if they exist at all; • Greece has no procedure in place for allowing payment of basic living expenses and fees in line with UNSCR 1452; • Greece does not have appropriate procedures through which a person or entity whose funds have been frozen can challenge that measure before a court; • Greek authorities should be able to freeze terrorist assets without first having to open a criminal investigation; • Greece does not have any measures in place to protect the rights of bona fide third party owners of property that may be involved in terrorist financing.
SR.IV Suspicious transaction reporting	PC	• insurance agents and brokers are not covered by the obligation to report; • not all the required aspects of terrorist financing are included in the scope of the reporting requirement; • industry practice would suggest that not all attempted transactions are reported; • the weaknesses in the STR system (especially low numbers in total and very low numbers of STRs outside the banking system) raise significant concerns in relation to the effectiveness of the reporting system.
SR.V International co-operation	LC	• there are concerns on the ability of Greece to provide a full range mutual legal assistance in cases involving FT as it is currently defined in Greece (in relation to Recommendation 36); • the application of the dual criminality may create an obstacle to extradition in cases involving FT activities that are not specifically criminalised in Greece (in relation to Recommendation 39); • due to a lack of personnel and technical resources and limited database access, there is an issue of effectiveness with regard to the information exchange of the FIU with foreign authorities on CFT matters (in relation with Rec.40); • there is no information to suggest that cooperation between financial supervisors and their counterparts in AML/CFT matters is effective and is provided in line with the FATF standards (in relation with Rec.40).
SR VI AML requirements for money/value transfer services	PC	• the lack of specialised, trained staff means that there are general concerns about the effectiveness of the BOG supervision programme as applied to MVT services; • there was some evidence of informal transfer services, which were not

		applying AML/CFT measures and not being supervised; • in general, Greece should take immediate steps to properly implement Recommendations 5-7, SR.VII and other relevant FATF Recommendations and to apply them also to bureaux de change and money remittance companies.
SR VII Wire transfer rules	PC	• the derogation set out in the EU regulation for wire transfers within the EU (classified as domestic transfers) is not in compliance with the FATF requirements under SR.VII[3]; • there are currently no sanctions for non-compliance with the EU regulation, and the sanctions regime generally is not effective or dissuasive; • in terms of effectiveness, there is insufficient evidence that the Regulation has been properly implemented, nor is there sufficient evidence of effective compliance monitoring of credit institutions with the requirements under the EU Regulation.
SR.VIII Non-profit organisations	NC	• Greece has not implemented the requirements set out in SR VIII.
SR.IX Cross Border Declaration & Disclosure	NC	• there is no system for declaring or disclosing cash or bearer negotiable instruments in line with SR IX.

[3] The FATF decided at the June 2007 Plenary to further consider this subject.