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Finantsinspeksioon and the Financial Intelligence Unit have signed an agreement detailing the cooperation between the two institutions on preventing money laundering and terrorism financing and the circumvention of international financial sanctions. The action plans and procedures for resolving issues in these areas are clarified in the agreement together with information exchange and joint training.

The agreement details Finantsinspeksioon's expectations for the Financial Intelligence Unit in receiving strategic analysis of the risks related to money laundering and terrorist financing and circumvention of international financial sanctions. The agreement will also help clarify the Financial Intelligence Unit's expectations for Finantsinspeksioon in receiving assessments of the core data on financial markets and their operation, and in identifying cases and risks of money laundering and terrorist financing.

"The Financial Intelligence Unit will focus in the coming years on further developing its strategic analysis function so that it can combat money laundering and terrorist financing risks more effectively. High quality analysis needs information to be received regularly from various other institutions though, and this is partly why a more detailed agreement with Finantsinspeksioon on information exchange than we have had so far is extremely important for us", said Head of the Financial Intelligence Unit Matis Mäeker.

Chair of the Finantsinspeksioon management board Kilvar Kessler said that putting information exchange on a firmly agreed basis would help both institutions carry out their functions better. "It is not the task or the goal of financial supervision to identify individual instances of money laundering, terrorism financing or breaches of international sanctions. Supervision rather monitors that the companies in the financial sector are able to do that themselves. Suspicions that arise during supervision work are sent by Finantsinspeksioon to the Financial Intelligence Unit so they can better carry out their legally defined role", he said.

Finantsinspeksioon observes that the companies it supervises have appropriate systems for countering money laundering and terrorism financing, and it uses recommendatory guidelines to steer those companies. Since the start of the year, Finantsinspeksioon has also monitored whether companies subject to financial supervision have the systems and organisation in place that would allow them to identify and apply international financial sanctions.

The Financial Intelligence Unit focuses on analysing suspicions of individual instances of money laundering and acts on information received. It also identifies breaches of international financial sanctions. The Financial Intelligence Unit has the right to receive the information it needs for its work from Finantsinspeksioon.

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Both Finantsinspektsioon and the Financial Intelligence Unit have an important role in preventing the Estonian financial sector being abused for criminal ends and close mutual cooperation is of primary importance in this. The Financial Intelligence Unit became an independent institution on 1 January, and this made it necessary to sign a new and much more detailed agreement with Finantsinspektsioon to supplement the earlier one. The agreement covers the clearer organisation of cooperation and exchange of information, and also allows the two institutions to train each other on preventing money laundering and terrorist financing in the name of a more stable and transparent financial sector in Estonia.