



P N P News Release

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PDEA'S FINANCIAL INVESTIGATION CAPABILITY SEEN TO IMPROVE WITH US FSAT VISIT

The Philippine Drug Enforcement Agency (PDEA) expects to improve its financial investigation capability to address money laundering with the visit of the Financial Systems Assessment Team (FSAT) from the United States that analyzed the Agency's existing resources used to identify and seize the financial assets of suspected drug lords and other drug personalities engaged in the illegal drugs trade.

Undersecretary Anselmo S. Avenido Jr., PDEA Director General, made this observation after he and key officials of the agency met with FSAT members Celina Realuyo, senior policy advisor, Department of State, and Leslie Martell, special agent, Federal Bureau of Investigation.

"As the lead agency in the intensified and revitalized national anti-drug campaign, the PDEA needs to strengthen its capability in identifying the financial assets of suspected drug lords. This is to prevent them from using the proceeds of their illegal drug business to further expand their operations. The visit of the FSAT is a most welcome development in our fight against money laundering," Avenido explained.

While the PDEA has its own Financial Investigation Unit under the Special Enforcement Service (SES), There is still much to be done, as cited by the unit's personnel who said they needed special training, practical exercises and equipment.

Police Senior Superintendent Lina Sarmiento, Director of PDEA Plans and Operations Service, said the agency had already initiated three activities to enhance its capability to conduct anti-money laundering operations, namely: 1) drafting of a Memorandum of

Agreement between the PDEA and the Anti-Money Laundering Council (AMLC); 2) creation of the Financial Investigation Unit under the SES; and 3) holding of a seminar in coordination with the AMLC.

The FSAT's mission comes on the heels of the state visit of US President George Bush to the country last Oct. 18 where he reiterated his call on the fight against terrorism and money laundering.

There have been reports that terrorist and rebel groups in Mindanao and other parts of the Philippines are engaged in the illegal drugs trade like marijuana cultivation and drug trafficking. Proceeds from the illegal activity are allegedly being laundered by these groups.

Realuyo and Martell are in the country to evaluate the government's anti-money laundering and counter-terrorism financing regime, to identify vulnerabilities, and to prescribe training and technical assistance to address these weaknesses.

The FSAT will also assess the country's legal, financial and enforcement frameworks, focusing on practices and legislation put into place since September 11, 2001 to determine the capability of the host country in identifying and seizing terrorist financial assets.

The FSAT also met with officials from the Bangko Sentral ng Pilipinas (BSP), Finance, Foreign Affairs, and Justice Departments, Office of the Solicitor General, Asian Development Bank, Bankers Association of the Philippines, Financial Intelligence Units (FIUs), law enforcement agencies, including the PNP and Bureau of Customs.