

**Statement of Jennifer Shasky Calvery Director, Financial Crimes Enforcement Network Upon  
Signing a Memorandum of Understanding with Mexico's National Banking and Securities  
Commission  
October 24, 2013**

I am pleased to sign this historic memorandum of understanding between the Financial Crimes Enforcement Network (FinCEN) and Mexico's National Banking and Securities Commission (CNBV). Today's action is the culmination of several months of hard work and close collaboration between our two agencies, and I would like to thank all of those involved for their efforts.

This is the first time that FinCEN has entered into a relationship with another supervisory body outside the United States to share supervisory information related to our anti-money laundering and combating terrorist financing responsibilities. And I could not be happier that our first such relationship is with the CNBV of Mexico, a neighbor, and a partner in the fight against money laundering and terrorist financing.

FinCEN is privileged to already have a similar network of relationships with our many federal and state supervisory bodies within the United States. These relationships enable us to dramatically extend our view of activity occurring in the U.S. financial system, and to work with our many partners to take coordinated action against money laundering and terrorist financing threats.

This action will now extend that view to both sides of our border. Indeed, as a result of this action the governments of both Mexico and the United States will have a more complete view of the vulnerabilities exploited by transnational criminal organizations and other illicit actors operating through our interconnected financial systems. For the U.S. Government, this is an important step, enabling FinCEN to support U.S. commitments to the Financial Action Task Force, the United Nations Convention against Transnational Organized Crime (Palermo Convention), the Merida Initiative, and the U.S. President's Strategy to Combat Transnational Organized Crime.

Our countries share more than a border. We also share many of the same strategic concerns. And we are aligned in our efforts to stem illicit money flows between our two nations, as well as combat the ongoing threats posed by transnational organized crime.

Regrettably, both countries are painfully aware of the fact that transnational organized crime does not respect borders. It presents a serious threat to our respective people, businesses,

and communities. While global markets and technology combine to make the world seem smaller, transnational criminal organizations have exploited these advancements to expand their global operations and influence and to evade justice.

As a result, these organizations are growing increasingly more sophisticated in both their ability to commit revenue-generating crime, and to subsequently launder the proceeds of that crime. Through the profits of its illicit activities, transnational organized crime is increasing its subversion of legitimate financial and commercial markets, threatening our respective economic interests, and raising the risk of significant damage to the global financial system.

This is where the CNBV and FinCEN come into the picture. We are in charge of defending our respective financial systems and ensuring they are resilient to money laundering and terrorist financing. We must ensure that each individual financial institution in our respective countries has erected the strongest possible defense against those illicit actors that would exploit its vulnerabilities.

The relationship we have established today, enabling the CNBV and FinCEN to share supervisory information, will make each of us better able to carry out these important responsibilities. We will be stronger together than we ever were separately.

Both the CNBV and FinCEN regulate a broad range of financial institutions, from banks to securities and futures brokers, to money services businesses, and many more. It is particularly in the area of money services businesses where we hope that combining our efforts and sharing our information will lead to greater abilities to help money transmitters, casas de cambio, centros cambiarios, and other money services businesses identify and address the risks that they face from illicit actors. These risks have increased as criminal organizations seek to exploit methods for money movement beyond depository institutions, making our agreement with CNBV all the more pressing right now.

Through more effective oversight, we also hope to provide more comfort to other financial institutions, such as banks, that are looking to provide their own services to money services businesses. Our challenge, as always in this space, is to separate good from bad – good money from bad money, and good financial institutions from bad ones. The more the CNBV and FinCEN share with each other with respect to this common objective, the more we will be able to harden our respective financial systems to abuse by transnational organized crime and other illicit actors.

This action would not have been possible without the support of CNBV's President Gonzalez Aguade. I would like to express my sincere appreciation to him, and all of his colleagues, for their dedicated efforts and for working so closely with all of us in the United States to make this partnership a reality.

Both FinCEN and the CNVB have an incredible opportunity to serve our nations, and to contribute to our governments' collective efforts to protect the global financial system. I look forward to strengthening our partnership in the days and years to come.

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