

-----Original Message-----

From: May, Richard

[[http://redirect.state.sbu/?url=http://redirect.state.sbu/?url=http://redirect.state.sbu/?url=\(b\) \(6\) @fincen.gov](http://redirect.state.sbu/?url=http://redirect.state.sbu/?url=http://redirect.state.sbu/?url=(b) (6) @fincen.gov)]

Sent: Wednesday, May 27, 2015 11:57 PM

To: Smith, Anton K; Madden, Mary Elizabeth; Hudak, Stephen; Brooker, Stephanie

Cc: Harris, Rian H; Urs, Krishna Raj; Anderson, Tanya C

Subject: RE: Press Guidance regarding Reaction to Money Laundering Speech

I was just told the highlight did not come through. Here it is again and in triple brackets. Please delete it.

B5

Sent via the Samsung GALAXY S@ 5, an AT&T 4G LTE smartphone

----- Original message -----

From: "May, Richard" (b) (6) @fincen.gov

Date: 05/27/2015 5:46 PM (GMT-05:00)

To: "Smith, Anton K" <SmithAK@state.gov>, "Madden, Mary Elizabeth" <MaddenME@state.gov>, "Hudak, Stephen"

(b) (6) @fincen.gov>, "Brooker, Stephanie" (b) (6) @fincen.gov

Cc: "Harris, Rian H" <HarrisRH@state.gov>, "Urs, Krishna Raj" <UrsKR@state.gov>, "Anderson, Tanya C"

<AndersonTC@state.gov>

Subject: RE: Press Guidance regarding Reaction to Money Laundering Speech

Anton,

FinCEN is fine with the proposed Talking Points (minus the highlighted text) that relate to FinCEN's Finding and NPRM. We defer to State on the language regarding the State's engagement with Andorra prior to our announcement.

V/r,

Rich

Sent via the Samsung GALAXY S@ 5, an AT&T 4G LTE smartphone

----- Original message -----

From: "Smith, Anton K" <SmithAK@state.gov>

Date: 05/27/2015 1:30 PM (GMT-05:00)

To: "May, Richard" (b) (6) @fincen.gov>, "Madden, Mary Elizabeth" <MaddenME@state.gov>

Cc: "Harris, Rian H" <HarrisRH@state.gov>, "Urs, Krishna Raj" <UrsKR@state.gov>, "Anderson, Tanya C"

<AndersonTC@state.gov>

Subject: Press Guidance regarding Reaction to Money Laundering Speech

Richard, Mary Elizabeth:

On April 21st I gave a speech at a conference here in Madrid on: "International Forum on intervention and liquidation of financial entities to prevent and combat money laundering, with special focus on the Banco Madrid case." The conference was organized by Ausbanc (Association of Financial Services Users – essentially a financial services lawyers association). Include in a roster of several speakers, I gave a prepared speech in English (attached), key elements of which had been cleared here and in Barcelona, and coordinated with FinCen. The audience was small – 20-30 lawyers and students, and the presentations were recorded.

Later (o/a May 22) we were informed by our Barcelona colleagues that a local financial website was reporting on my speech, with a quote similar to the lines highlighted in the attached ("U.S. law enforcement and anti-money laundering officials had been studying BPA activity for several months prior to our actions."), but which went a good bit further -- "Estados Unidos llevaba meses avisando a Andorra de que le preocupaban los movimientos en sus bancos y, como las autoridades andorranas no le prestaban atención, decidió tomar el martillo" – implying we had been advising Andorra for months, and when they failed to react, we took action (literally "the hammer"). I initially believed the reporter was taking editorial license with my actual remarks.

Embassy Madrid and Consulate Barcelona's press teams were contacted by U.S. (Wall Street Journal) and local press about a financial website's reporting on these comments. Since I did not recall having said this, our press teams informed local and international media

that the quote attributed to me was not correct, and referred them to the English text of my prepared speech.

Having today reviewed the tape of my presentation, I now realize that in response to a question during the 10-15 minute Q&A that followed my speech in which I responded in Spanish, I said something more similar to the actual quote. In effect, I stated that "with respect to Andorra, we had informed the government via official channels some months ago that we were concerned with lapses in its money laundering regime, as identified by Moneyval and FATF. While they may have paid attention, the response was not robust enough to fully address concerns, so eventually we took out the hammer." I was referring here to a general demarche that was delivered to Andorran authorities in August of last year, triggered by concerns that led to the eventual 311 action.

Madrid and Barcelona are now being contacted by the Wall Street Journal and local press asking why the Mission has given inaccurate information to the media and for further clarification of my remarks.

We would appreciate your assistance on press guidance in order to respond. In particular, we believe it important to correct our incorrect statement to the WSJ.

Anton K. Smith  
Counselor for Economic Affairs  
U.S. Embassy, Madrid  
Tel: (+34) 91 587 2288

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