

Putin Watches Financial Monitor More Closely

By [The Moscow Times](#)

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Rusfinmonitoring is allegedly one of four departments that have kept flashing blue lights on their cars. Above, a car with such a light standing outside the presidential administration offices on Staraya Ploshchad. **Andrei Makhonin**

President Vladimir Putin has made the Federal Financial Monitoring Service answerable to him in a new decree on the structure of federal bodies of executive power.

That service, commonly known as Rosfinmonitoring, deals with money laundering. In particular, it coordinates agencies to combat laundering, collects information on monitored financial transactions, conducts inspections and can suspend financial operations.

If its officers conclude that a crime has been committed, their materials are forwarded to law enforcement.

According to a Kremlin source, the service could become the basis for the creation of an anti-corruption agency with broader powers, including tracking public procurement, which exceeds 5 trillion rubles (\$167 billion) per year.

The Federal Financial Monitoring Service was one of four departments that have kept flashing blue lights on their cars, the source said.

Reassigning Rosfinmonitoring to presidential control will mean a rapid enhancement of the service's powers to fight corruption and the use of offshore and front companies, said Kirill Parfyonov, president of the Bank Bookkeepers' Club.

Rosfinmonitoring already has unique authorities. For example, under the law on combating money laundering, it receives information about bank transactions by individuals in excess of 600,000 rubles. Police and tax authorities have access to such information only for criminal investigations.

In 2011, the service conducted 788 inspections and imposed fines totaling 42.7 million rubles. It estimated the volume of net capital outflow abroad "with signs of money laundering" in the same year at 1 trillion rubles.

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