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To:
All Reporting Institutions (RIs) under the
Anti-Money Laundering, Anti-Terrorism Financing
and Proceeds of Unlawful Activities Act 2001 (AMLA)

Statements on High-Risk and Other Monitored Jurisdictions by the Financial Action Task Force (FATF)

The purpose of this notice, issued pursuant to section 83 of the AMLA, is to inform the RIs on the statements issued by the FATF in October 2023 regarding the High-Risk Jurisdictions subject to a Call for Action (**Appendix I**) and Jurisdictions under Increased Monitoring (**Appendix II**).

A. Democratic People's Republic of Korea (DPRK)

2. The FATF's Call for Action to apply effective countermeasures and targeted financial sanctions (TFS) in accordance with the applicable United Nations Security Council Resolutions against the **DPRK** remains in effect. In this regard, and in accordance with the Anti-Money Laundering, Countering Financing of Terrorism (AML/CFT) and TFS Policy Documents[1], please be advised that **RIs are required to continue conducting enhanced customer due diligence (CDD)** for business relationships and transactions with any person from the DPRK, including those acting on their behalf. In addition to the enhanced CDD requirement, the **RIs are also required to apply relevant countermeasures proportionate to the risk**. These comprise of limiting business relationships and financial transactions with DPRK, including DPRK companies, financial institutions, and those acting on their behalf, and terminating correspondent relationships with DPRK banks, where necessary.

B. Iran

3. The FATF's Call for Action to apply enhanced CDD and effective countermeasures in line with the AML/CFT and TFS Policy Documents also remains in effect, as Iran remains within the FATF's High-Risk Jurisdictions.

C. Myanmar

4. The FATF's Call for Action to apply enhanced due diligence measures should be applied, proportionate to the risks arising from the jurisdiction**,** as Myanmar remains within the FATF's High-Risk Jurisdictions. When applying enhanced due diligence measures, countries should ensure that flows of funds for humanitarian assistance, legitimate non-profit organisation (NPO) activity and remittances are not disrupted.

[1] Issued on 31 December 2019

D. Jurisdictions under Increased Monitoring

5. RIs should also take note of other Jurisdictions under Increased Monitoring due to strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing (ML/TF/PF). RIs are expected to take into account the situation of each jurisdiction in its risk analysis on a case-by-case basis as the FATF does not call for the application of enhanced due diligence to be applied to these jurisdictions. In this regard, please be advised that **Bulgaria** has been included in the FATF's Increased Monitoring process. Meanwhile, **Albania, Cayman Islands, Jordan and Panama** have been removed from the FATF's Jurisdictions under Increased Monitoring process due to the significant progress made by these jurisdictions in improving their regimes.

6. In dealing with the identified jurisdictions in the paragraphs above, RIs are required to manage risk in line with the risk-based approach, rather than de-risking or wholesale cutting loose of entire classes of customer, without taking into account, seriously and comprehensively, the level of risk or risk mitigation measures for individual customers within a particular sector.

7. Further information on the abovementioned statements and other Jurisdictions under Increased Monitored is available at the FATF's website at http://www.fatf-gafi.org.

Please be guided accordingly.

Yours sincerely,



(Mohd Fuad Arshad)
Director
Financial Intelligence and
Enforcement Department

Appendix I

High-Risk Jurisdictions subject to a Call for Action - October 2023

Paris, 27 October 2023 - High-risk jurisdictions have significant strategic deficiencies in their regimes to counter money laundering, terrorist financing, and financing of proliferation. For all countries identified as high-risk, the FATF calls on all members and urges all jurisdictions to apply enhanced due diligence, and, in the most serious cases, countries are called upon to apply counter-measures to protect the international financial system from the money laundering, terrorist financing, and proliferation financing (ML/TF/PF) risks emanating from the country. This list is often externally referred to as the "black list". Since February 2020, in light of the COVID-19 pandemic, the FATF has paused the review process for Iran and DPRK, given that they are already subject to the FATF's call for countermeasures. Iran reported in July 2023 with no material changes in the status of its action plan. Thus, the FATF reiterates its call to apply countermeasure on these high-risk jurisdictions included in its 21 February 2020 statement.

Appendix II

Jurisdictions subject to a FATF call on its members and other jurisdictions to apply countermeasures

Democratic People's Republic of Korea (DPRK)
[statement unchanged since February 2020]

The FATF remains concerned by the DPRK's failure to address the significant deficiencies in its anti-money laundering and combating the financing of terrorism (AML/CFT) regime and the serious threats they pose to the integrity of the international financial system. The FATF urges the DPRK to immediately and meaningfully address its AML/CFT deficiencies. Further, the FATF has serious concerns with the threat posed by the DPRK's illicit activities related to the proliferation of weapons of mass destruction (WMDs) and its financing.

The FATF reaffirms its 25 February 2011 call on its members and urges all jurisdictions to advise their financial institutions to give special attention to business relationships and transactions with the DPRK, including DPRK companies, financial institutions, and those acting on their behalf. In addition to enhanced scrutiny, the FATF further calls on its members and urges all jurisdictions to apply effective counter-measures, and targeted financial sanctions in accordance with applicable United Nations Security Council Resolutions, to protect their financial sectors from money laundering, financing of terrorism and WMD proliferation financing (ML/TF/PF) risks emanating from the DPRK. Jurisdictions should take necessary measures to close existing branches, subsidiaries and representative offices of DPRK banks within their territories and terminate correspondent relationships with DPRK banks, where required by relevant UNSC resolutions.

Iran
[statement unchanged since February 2020]

In June 2016, Iran committed to address its strategic deficiencies. Iran's action plan expired in January 2018. In February 2020, the FATF noted Iran has not completed the action plan.[1]

In October 2019, the FATF called upon its members and urged all jurisdictions to: require increased supervisory examination for branches and subsidiaries of financial institutions based in Iran; introduce enhanced relevant reporting mechanisms or systematic reporting of financial transactions; and require increased external audit requirements for financial groups with respect to any of their branches and subsidiaries located in Iran.

Now, given Iran's failure to enact the Palermo and Terrorist Financing Conventions in line with the FATF Standards, the FATF fully lifts the suspension of counter-measures and calls on its members and urges all jurisdictions to apply effective counter-measures, in line with Recommendation 19.[2]

Iran will remain on the FATF statement on High Risk Jurisdictions Subject to a Call for Action until the full Action Plan has been completed. If Iran ratifies the Palermo and Terrorist Financing Conventions, in line with the FATF standards, the FATF will decide on next steps, including whether to suspend countermeasures. Until Iran implements the measures required to address the deficiencies identified with respect to countering terrorism-financing in the Action Plan, the FATF will remain concerned with the terrorist financing risk emanating from Iran and the threat this poses to the international financial system.

Jurisdiction subject to a FATF call on its members and other jurisdictions to apply enhanced due diligence measures proportionate to the risks arising from the jurisdiction

Myanmar

In February 2020, Myanmar committed to address its strategic deficiencies. Myanmar's action plan expired in September 2021.

In June 2022, the FATF strongly urged Myanmar to swiftly complete its action plan by October 2022 or the FATF would call on its members and urge all jurisdictions to apply enhanced due diligence to business relations and transactions with Myanmar. Given the continued lack of progress and the majority of its action items still not addressed after a year beyond the action plan deadline, the FATF decided that further action was necessary in line with its procedures and FATF calls on its members and other jurisdictions to apply enhanced due diligence measures proportionate to the risk arising from Myanmar. When applying enhanced due diligence measures, countries should ensure that flows of funds for humanitarian assistance, legitimate NPO activity and remittances are not disrupted.

Myanmar should continue to work on implementing its action plan to address these deficiencies, including by: (1) demonstrating an improved understanding of ML risks in key areas; (2) demonstrating that on-site/offsite inspections are risk-based, and hundi operators are registered and supervised; (3) demonstrating enhanced use of financial intelligence in law enforcement authorities (LEAs) investigations, and increasing operational analysis and disseminations by the financial intelligence unit (FIU); (4) ensuring that ML is investigated/prosecuted in line with risks; (5) demonstrating investigation of transnational ML cases with international cooperation; (6) demonstrating an increase in the freezing/seizing and confiscation of criminal proceeds, instrumentalities, and/or property of equivalent value; and (7) managing seized assets to preserve the value of seized goods until confiscation.

The FATF urges Myanmar to work to fully address its AML/CFT deficiencies, including to demonstrate that its monitoring and supervision of money or value transfer services (MVTS) is based on documented and sound understanding of ML/TF risks to mitigate undue scrutiny of legitimate financial flows.

Myanmar will remain on the list of countries subject to a call for action until its full action plan is completed.

Jurisdictions under Increased Monitoring - 27 October 2023

Paris, 27 October 2023 - Jurisdictions under increased monitoring are actively working with the FATF to address strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing. When the FATF places a jurisdiction under increased monitoring, it means the country has committed to resolve swiftly the identified strategic deficiencies within agreed timeframes and is subject to increased monitoring. This list is often externally referred to as the "grey list".

The FATF and FATF-style regional bodies (FSRBs) continue to work with the jurisdictions below as they report on the progress achieved in addressing their strategic deficiencies. The FATF calls on these jurisdictions to complete their action plans expeditiously and within the agreed timeframes. The FATF welcomes their commitment and will closely monitor their progress. The FATF does not call for the application of enhanced due diligence measures to be applied to these jurisdictions. The FATF Standards do not envisage de-risking, or cutting-off entire classes of customers, but call for the application of a risk-based approach. Therefore, the FATF encourages its members and all jurisdictions to take into account the information presented below in their risk analysis.

The FATF identifies additional jurisdictions, on an on-going basis, that have strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing. A number of jurisdictions have not yet been reviewed by the FATF or their FSRBs, but will be in due course.

The FATF provides some flexibility to jurisdictions not facing immediate deadlines to report progress on a voluntary basis. The following countries had their progress reviewed by the FATF since October 2023: Albania, Barbados, Burkina Faso, Cayman Islands, Democratic Republic of Congo, Gibraltar, Haiti, Jamaica, Jordan, Mali, Mozambique, Nigeria, Panama, Philippines, Senegal, South Africa, South Sudan, Tanzania, Türkiye, UAE, and Uganda. For these countries, updated statements are provided below. Cameroon, Croatia, Syria and Vietnam chose to defer reporting; thus, the statements previously issued for those jurisdictions are included below, but this may not necessarily reflect the most recent status of the jurisdictions' AML/CFT regimes. Following review, the FATF now also identifies Bulgaria.

Barbados

In February 2020, Barbados made a high-level political commitment to work with the FATF and CFATF to strengthen the effectiveness of its AML/CFT regime. At its October 2023 Plenary, the FATF made the initial determination that Barbados has substantially completed its action plan and warrants an on-site assessment to verify that the implementation of the AML/CFT reforms has begun and is being sustained, and that the necessary political commitment remains in place to sustain implementation in the future.

Barbados has made the following key reforms, including: (1) conducting risk-based supervision of financial institutions and applying sanctions as appropriate, (2) ensuring that accurate and up-to-date beneficial ownership information is available on a timely basis, (3) improving and enhancing the use of financial intelligence, and (4) pursuing repatriation and sharing of confiscated assets with other countries.

Bulgaria

In October 2023, Bulgaria made a high-level political commitment to work with the FATF and MONEYVAL to strengthen the effectiveness of its AML/CFT regime. Since the adoption of its MER in May 2022, Bulgaria has made progress on its MER's recommended actions to improve its international cooperation. Bulgaria will work to implement its FATF action plan by: (1) implementing its national AML/CFT Strategy through adopting a comprehensive action plan; (2) addressing the remaining technical compliance deficiencies; (3) demonstrating initial implementation of risk-based supervision for postal money operators, currency exchange providers and real estate agents and establishing market entry controls for VASPs and postal money operators; (4) ensuring that the beneficial ownership information held in the Register is accurate and up-to-date; (5) completing the implementation of the automated system to ensure more automated prioritisation of STRs; (6) improving investigations and prosecutions of different types of money laundering in line with risks, including high-scale corruption and organised crime; (7) ensuring that confiscation is pursued as a policy objective; (8) ensuring the ability to conduct parallel financial investigations in all terrorism investigations; (9) addressing gaps in the TF and PF targeted financial sanctions (TFS) frameworks; and (10) identifying the subset of NPOs most vulnerable to TF abuse and demonstrating initial implementation of risk-based monitoring to prevent abuse for TF purposes.

Burkina Faso

Since February 2021, when Burkina Faso made a high-level political commitment to work with the FATF and GIABA to strengthen the effectiveness of its AML/CFT regime, Burkina Faso has taken steps towards improving its AML/CFT regime, including by conducting thematic risk assessments for high-risk sectors and strengthening its mechanisms to maintain statistics on international cooperation and ML/TF investigations and prosecutions. Burkina Faso should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) strengthening resource capacities of all AML/CFT supervisory authorities and implementing risk based supervision of FIs and DNFBPs; (2) maintaining comprehensive and updated basic and beneficial ownership information of legal persons and strengthening the system of sanctions for violations of transparency obligations; (3) increasing the diversity of suspicious transactions reporting; (4) establishing procedures for effective implementation of declaration of cross-border transportation of currencies and bearer negotiable instruments; (5) conducting TF investigations and prosecutions in line with its risk profile; and (6) implementing an effective TFS regime related to TF and PF as well as risk-based monitoring and supervision of NPOs.

The FATF notes Burkina Faso's continued progress across its action plan, however all deadlines have expired and work remains. The FATF urges Burkina Faso to swiftly implement its action plan to

address the above-mentioned strategic deficiencies as soon as possible as all deadlines expired in December 2022.

Cameroon

(Statement from June 2023)

In June 2023, Cameroon made a high-level political commitment to work with the FATF and GABAC to strengthen the effectiveness of its AML/CFT regime. Since the adoption of its MER in October 2021, Cameroon has made progress on some of the MER's recommended actions by increasing the resources of the FIU and building the capacity of investigation authorities and judicial bodies to effectively conduct ML/TF cases. Cameroon will work to implement its FATF action plan by: (1) Aligning AML/CFT national strategies and policies with the findings of the NRA and monitoring their implementation, and demonstrating AML/CFT cooperation and coordination between competent authorities; (2) Ensuring risk-based prioritisation of incoming international cooperation requests in line with risks and responding in an effective manner; (3) Enhancing risk-based supervision of banks and implementing effective risk-based supervision for non-bank FIs and DNFBPs, and conducting appropriate outreach to high-risk FIs and DNFBPs; (4) Maintaining and ensuring timely access by competent authorities to adequate and up to date beneficial ownership information on legal persons, and establishing a sanctions regime for violations of transparency obligations applicable to legal persons; (5) Enhancing secure information exchange between the FIU, reporting entities and competent authorities and demonstrating an increase in dissemination of intelligence reports to support operational needs of competent authorities; (6) Demonstrating that authorities are able to conduct a range of ML investigations, and prosecute ML in line with risks; (7) Implementing policies and procedures for seizing and confiscating proceeds and instrumentalities of crime and managing frozen, seized and confiscated property, and prioritising seizure and confiscation of assets at the border; (8) Demonstrating that TF investigations and prosecutions are pursued in line with risk; and (9) Demonstrating effective implementation of TF and PF TFS regimes and implementing a risk-based approach to NPOs without disrupting legitimate NPO activities.

Democratic Republic of the Congo

Since October 2022, when the DRC made a high-level political commitment to work with the FATF and GABAC to strengthen the effectiveness of its AML/CFT regime, the DRC has taken steps towards improving its AML/CFT regime, including by finalising the national risk assessment (NRA), designating a supervisory authority for all DNFBPs and providing more resources to the FIU. The DRC should continue to work to implement its FATF action plan to address its strategic deficiencies, including by: (1) disseminating the NRA on ML and TF and adopting an AML/CFT national strategy; (2) developing and implementing a risk-based supervision plan; (3) building the capacity of the FIU to conduct operational and strategic analysis; (4) strengthening the capabilities of authorities involved in the investigation and prosecution of ML and TF; and (5) demonstrating effective implementation of TF and PF-related TFS.

Croatia

(Statement from June 2023)

In June 2023, Croatia made a high-level political commitment to work with the FATF and MONEYVAL to strengthen the effectiveness of its AML/CFT regime. Since the adoption of its MER in December 2021, Croatia has made progress on its MER's recommended actions to improve its system by licensing and monitoring the registration of VASPs, enhancing and implementing more effective sanctions in supervisory activities and enhancing implementation of preventive measures for high-risk sectors. Croatia will work to implement its FATF action plan by: (1) Completing the national risk assessment, including assessing the ML/TF risk associated with the misuse of legal persons and legal arrangements and the use of cash in the real estate sector; (2) Increasing FIU human resources and improving analytical capabilities; (3) Continuing to improve LEAs detection, investigation and prosecution of different types of ML, including ML involving a foreign predicate offences and the misuse of legal persons; (4) Demonstrating a sustained increase in the application of provisional measures in securing direct/indirect proceeds, as well as foreign proceeds subject to confiscation; (5) Demonstrating the ability to systematically detect and where relevant investigate TF in line with its risk profile; (6) Establishing a national framework for the implementation of UN TFS measures and providing guidance and conducting outreach and training to the reporting entities; and (7) Identifying the subset of NPOs most vulnerable to TF abuse and providing targeted outreach to NPOs and to the donor community on potential vulnerabilities of NPOs to TF abuse.

Gibraltar

In June 2022, Gibraltar made a high-level political commitment to work with the FATF and MONEYVAL to strengthen the effectiveness of its AML/CFT regime. At its October 2023 Plenary, the FATF made the initial determination that Gibraltar has substantially completed its action plan and warrants an on-site assessment to verify that the implementation of AML/CFT reforms has begun and is being sustained and that the necessary political commitment remains in place to sustain implementation in the future.

Gibraltar has made the following key reforms, including: (1) applying effective, proportionate, and dissuasive sanctions for AML/CFT breaches in non-bank financial institutions and DNFBPs sectors; and (2) pursuing final confiscation judgments commensurate with the risk and context of Gibraltar.

Haiti

Since June 2021, when Haiti made a high-level political commitment to work with the FATF and CFATF to strengthen the effectiveness of its AML/CFT regime, Haiti has taken steps towards improving its AML/CFT regime, including by facilitating information sharing with relevant foreign counterparts and addressing technical deficiencies in its ML offence, TF offence, and AML/CFT

preventive measures. The FATF recognises the political commitment expressed at a high level and the efforts demonstrated by Haiti to advance its commitments in the midst of the challenging social, economic and security situation within the country. Haiti should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) completing its ML/TF risk assessment process and disseminating the findings; (2) implementing risk-based AML/CFT supervision for all financial institutions and DNFBPs deemed to constitute a higher ML/TF risk; (3) ensuring basic and beneficial ownership information are maintained and accessible in a timely manner; (4) ensuring a better use of financial intelligence and other relevant information by competent authorities for combatting ML and TF; (5) demonstrating authorities are identifying, investigating and prosecuting ML cases in a manner consistent with Haiti's risk profile; (6) demonstrating an increase of identification, tracing and recovery of proceeds of crimes; (7) addressing the technical deficiencies in its targeted financial sanctions regime; and (8) conducting appropriate risk-based monitoring of NPOs vulnerable to TF abuse without disrupting or discouraging legitimate NPO activities.

The FATF notes Haiti's continued progress across its action plan, however all deadlines have now expired and work remains. The FATF encourages Haiti to continue to implement its action plan to address the above-mentioned strategic deficiencies.

Jamaica

Since February 2020, when Jamaica made a high-level political commitment to work with the FATF and CFATF to strengthen the effectiveness of its AML/CFT regime, Jamaica has taken steps towards improving its AML/CFT regime, including by ensuring adequate, risk-based supervision in all DNFBP sectors. Jamaica should continue to work on implementing its action plan to address its strategic deficiencies by demonstrating that accurate and up-to-date basic and beneficial ownership information is available on a timely basis to competent authorities, and effective, proportionate and dissuasive sanctions are applied.

The FATF again expresses concern that Jamaica failed to complete its action plan, which fully expired in January 2022. The FATF strongly urges Jamaica to swiftly demonstrate significant progress in completing its action plan by February 2024 or the FATF will consider next steps, which could include calling on its members and urging all jurisdictions to apply enhanced due diligence to business relations and transactons with Jamaica.

Mali

Since October 2021, when Mali made a high-level political commitment to work with the FATF and GIABA to strengthen the effectiveness of its AML/CFT regime, Mali has taken steps towards improving its AML/CFT regime, including by developing risk assessment methodology for inspections of high risk DNFBPs, demonstrating the application of sanctions for AML/CFT noncompliance, and strengthening the capacity of law enforcement in ML and TF investigations and prosecutions. Mali should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) disseminating its assessment of ML/TF risks associated with all types of legal persons and demonstrating timely access to accurate beneficial ownership information; (2) identifying and

investigating TF activities in line with the country's risk profile, including by conducting parallel financial investigations and employing other criminal justice measures where a TF conviction is not possible; (3) strengthening and implementing the legal framework and procedures for TFS related to TF and PF; and (4) implementing a risk-based approach for supervision of the NPO sector to prevent abuse for TF purposes.

The FATF notes Mali's continued progress across its action plan, however all deadlines have now expired and work remains. The FATF encourages Mali to continue to implement its action plan to address the above-mentioned strategic deficiencies as soon as possible.

Mozambique

In October 2022, Mozambique made a high-level political commitment to work with the FATF and ESAAMLG to strengthen the effectiveness of its AML/CFT regime. Mozambique should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) ensuring cooperation and coordination amongst relevant authorities to implement risk-based AML/CFT strategies and policies; (2) conducting training for all LEAs on mutual legal assistance to enhance the gathering of evidence or seizure/confiscation of proceeds of crime; (3) providing adequate financial and human resources to supervisors, developing and implementing a risk-based supervision plan; (4) providing adequate resources to the authorities to commence the collection of adequate, accurate and up-to-date beneficial ownership information of legal persons; (5) increasing the human resources of the FIU as well as increasing financial intelligence sent to authorities; (6) demonstrating LEAs capability to effectively investigate ML/TF cases using financial intelligence; (7) conducting a comprehensive TF Risk Assessment and begin implementing a comprehensive national CFT strategy; (8) increasing awareness on TF and PF-related TFS; and (9) carrying out the TF risk assessment for NPOs in line with the FATF Standards and using it as a basis to develop an outreach plan.

Nigeria

Since February 2023, when Nigeria made a high-level political commitment to work with the FATF and GIABA to strengthen the effectiveness of its AML/CFT regime, Nigeria has taken steps towards improving its AML/CFT regime, including by completing its residual ML/TF risk assessment. Nigeria should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) disseminating its residual ML/TF risk assessment and updating its national AML/CFT strategy to ensure alignment with other national strategies relevant to high-risk predicate offences; (2) enhancing formal and informal international cooperation in line with ML/TF risks; (3) improving AML/CFT risk-based supervision of FIs and DNFBPs and enhancing implementation of preventive measures for high-risk sectors; (4) ensuring that competent authorities have timely access to accurate and up-to-date beneficial ownership (BO) information on legal persons and applying sanctions for breaches of BO obligations; (5) demonstrating an increase in the dissemination of financial intelligence by the FIU and its use by LEAs; (6) demonstrating a sustained increase in ML investigations and prosecutions in line with ML risks; (7) proactively detecting violations of currency declaration obligations and apply appropriate sanctions and maintaining comprehensive data on frozen, seized, confiscated, and disposed assets; (8) demonstrating sustained increase in investigations and

prosecutions of different types of TF activities in line with risk and enhancing interagency cooperation on TF investigations; and (9) conducting risk-based and targeted outreach to NPOs at risk of TF abuse and implementing risk-based monitoring for the subset of NPOs at risk of TF abuse without disrupting or discouraging legitimate NPO activities.

Philippines

In June 2021, the Philippines made a high-level political commitment to work with the FATF and APG to strengthen the effectiveness of its AML/CFT regime. The Philippines should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) demonstrating that effective risk-based supervision of DNFBPs is occurring; (2) demonstrating that supervisors are using AML/CFT controls to mitigate risks associated with casino junkets; (3) enhancing and streamlining LEA access to BO information and taking steps to ensure that BO information is accurate and up-to-date; (4) demonstrating an increase in ML investigations and prosecutions in line with risk; and (5) demonstrating an increase in the identification, investigation and prosecution of TF cases.

The FATF urges the Philippines to swiftly implement its action plan to address the above-mentioned strategic deficiencies as soon as possible as all deadlines expired in January 2023.

Senegal

Since February 2021, when Senegal made a high-level political commitment to work with the FATF and GIABA to strengthen the effectiveness of its AML/CFT regime, Senegal has conducted analysis to understand the risk of abuse of NPOs for TF purposes and conducted risk-based outreach to NPOs. Senegal should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) improving compliance by detecting AML/CFT violations and imposing effective, proportionate and dissuasive sanctions against non-compliant DNFBPs; (2) updating and maintaining comprehensive beneficial ownership information on legal persons and arrangements; (3) identifying and investigating TF activities in line with the country's risk profile; and (4) implementing an effective TFS regime related to TF and PF as well as risk-based monitoring and supervision of NPOs.

The FATF notes Senegal's continued progress across its action plan, however all deadlines have expired and work remains. The FATF urges Senegal to swiftly implement its action plan to address the above-mentioned strategic deficiencies as soon as possible as all deadlines expired in September 2022.

South Af rica

Since F ebruary 2023, when South Af rica made a high-level political commitment to work with the FATF and ESA AMLG to strengthen the ef f ectiveness of its AML/CFT regime, South Af rica has taken steps towards improving its AML/CFT regime including by addressing technical deficiencies in its targeted financial sanction regime related to proliferation financing. South Africa should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) demonstrating a sustained increase in outbound MLA requests that help facilitate ML/TF investigations and confiscations of different types of assets in line with its risk profile; (2) improving risk-based supervision of DNFBPs and demonstrating that all AML/CFT supervisors apply effective, proportionate, and effective sanctions for noncompliance; (3) ensuring that competent authorities have timely access to accurate and up-to-date BO information on legal persons and arrangements and applying sanctions for breaches of violation by legal persons to BO obligations; (4) demonstrating a sustained increase in law enforcement agencies' requests for financial intelligence from the FIC for its ML/TF investigations; (5) demonstrate a sustained increase in investigations and prosecutions of serious and complex money laundering and the full range of TF activities in line with its risk profile; (6) enhancing its identification, seizure and confiscation of proceeds and instrumentalities of a wider range of predicate crimes, in line with its risk profile; (7) updating its TF Risk Assessment to inform the implementation of a comprehensive national counter financing of terrorism strategy; and (8) ensuring the effective implementation of targeted financial sanctions and demonstrating an effective mechanism to identify individuals and entities that meet the criteria for domestic designation.

South Sudan

Since June 2021, when South Sudan made a high-level political commitment to work with the FATF and ESAAMLG to strengthen the effectiveness of its AML/CFT regime, South Sudan has taken steps towards improving its AML/CFT regime, including by ensuring that the FIU is the central authority for the receipt and analysis of STRs and identifying NPOs falling within the FATF's definition of NPOs. South Sudan should continue to work to implement its action plan, including by: (1) conducting a comprehensive review of the AML/CFT Act (2012), with the support of international partners, including technical assistance, to comply with the FATF Standards; (2) becoming a party to and fully implementing the 1988 Vienna Convention, the 2000 Palermo Convention, and the 1999 Terrorist Financing Convention; (3) ensuring that competent authorities are suitably structured and capacitated to implement a risk-based approach to AML/CFT supervision for financial institutions; (4) developing a comprehensive legal framework to collect and verify the accuracy of beneficial ownership information for legal persons; (5) operationalising a fully functioning and independent FIU; (6) establishing and implementing the legal and institutional framework to implement targeted financial sanctions in compliance with United Nations Security Council Resolutions on terrorism and WMD proliferation financing; and (7) commencing implementation of targeted risk-based supervision/monitoring of NPOs at risk of TF abuse.

The FATF notes South Sudan's limited progress across its action plan with all deadlines now expired and work remaining. The FATF again encourages South Sudan to continue to implement its action plan to address the above-mentioned strategic deficiencies as soon as possible and demonstrate strong political and institutional commitment to strengthen the effectiveness of its AML/CFT regime, particularly in supporting the lead AML/CFT agency in coordinating national AML/CFT efforts.

Syria

(Statement from February 2023)

Since February 2010, when Syria made a high-level political commitment to work with the FATF and MENAFATF to address its strategic AML/CFT deficiencies, Syria has made progress to improve its AML/CFT regime. In June 2014, the FATF determined that Syria had substantially addressed its action plan at a technical level, including by criminalising terrorist financing and establishing procedures for freezing terrorist assets. While the FATF determined that Syria has completed its agreed action plan, due to the security situation, the FATF has been unable to conduct an on-site visit to confirm whether the process of implementing the required reforms and actions has begun and is being sustained. The FATF will continue to monitor the situation, and will conduct an on-site visit at the earliest possible date.

Tanzania

Since October 2022, when Tanzania made a high-level political commitment to work with the FATF and ESAAMLG to strengthen the effectiveness of its AML/CFT regime, Tanzania has taken steps towards improving its AML/CFT regime, including by addressing technical deficiencies with R.10 and conducting outreach to DNFBPs. Tanzania should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) improving risk-based supervision of FIs and DNFBPs, including by conducting inspections on a risk-sensitive basis and applying effective, proportionate, and dissuasive sanctions for non-compliance; (2) demonstrating authorities' capability to effectively conduct a range of investigations and prosecutions of ML in line with the country's risk profile; (3) demonstrating that LEAs are taking measures to identify, trace, seize, and confiscate proceeds and instrumentalities of crime; (4) conducting a comprehensive TF Risk Assessment and begin implementing a comprehensive national CFT strategy as well as demonstrating capability to conduct TF investigations and pursue prosecutions in line with the country's risk profile; (5) increasing awareness of the private sector and competent authorities on TF and PF-related TFS; and (6) carrying out the TF risk assessment for NPOs in line with the FATF Standards and using it as a basis to develop an outreach plan.}

Türkiye

Since October 2021, when Türkiye made a high-level political commitment to work with the FATF to strengthen the effectiveness of its AML/CFT regime, Türkiye has taken positive steps towards improving its AML/CFT regime, including by undertaking more complex ML investigations and prosecutions in line with risks, and conducting parallel financial investigations in terrorism cases, including prioritising TF investigations and prosecutions related to UN-designated groups. Türkiye should continue to work on implementing its action plan to address its one remaining strategic deficiency, specifically by confiscating assets related to terrorist financing consistent with its terrorist financing risk.

The FATF notes Türkiye continued progress across its action plan; however, all deadlines have now expired. The FATF encourages Türkiye to continue to implement its action plan to address the above mentioned strategic deficiency as soon as possible.

Uganda

In February 2020, Uganda made a high-level political commitment to work with the FATF and ESAAMLG to strengthen the effectiveness of its AML/CFT regime. At its October 2023 plenary, the FATF made the initial determination that Uganda has substantially completed its action plan and warrants an on-site assessment to verify that the implementation of AML/CFT reforms has begun and is being sustained, and that the necessary political commitment remains in place to sustain implementation in the future.

Uganda has made the following key reforms, including: (1) adopting a national AML/CFT strategy; (2) enhancing the use of MLA and maintaining statistics; (3) developing and implementing risk-based supervision of the financial and DNFBP sectors; (4) assessing the ML/TF risks related to legal persons and ensuring that competent authorities have timely access to accurate basic and beneficial ownership information; (5) pursuing ML investigations and prosecutions, applying ML charges consistent with the country's risk profile and establishing procedures to trace and seize proceeds of crimes; (6) demonstrating an ability to conduct TF investigation and prosecution; (7) implementing PF-related TFS and developing an outreach and risk-based oversight plan to protect NPOs from TF abuse.

The FATF continues to monitor Uganda's oversight of the NPO sector to encourage the application of the risk-based approach to supervision of NPOs in line with the FATF Standards and mitigate unintended consequences.

The United Arab Emirates

In February 2022, the United Arab Emirates (UAE) made a high-level political commitment to work with the FATF and MENAFATF to strengthen the effectiveness of its AML/CFT regime. At its October 2023 plenary, the FATF made the initial determination that UAE has substantially completed its action plan and warrants an on-site assessment to verify that the implementation of AML/CFT reforms has begun and is being sustained, and that the necessary political commitment remains in place to sustain implementation in the future.

UAE has made the following key reforms, including: (1) increasing outbound MLA requests to facilitate ML/TF investigations; (2) improving its understanding of ML/TF risks and implementation of risk-based CDD for DNFBP sectors, applying effective and proportionate sanctions for AML/CFT noncompliance involving FIs and DNFBPs, and increasing STR filing for those sectors; (3) developing a more granular understanding of risk of abuse of legal persons and implementing risk-based mitigating measures to prevent their abuse; (4) providing additional resources to the FIU to increase its capacity to provide financial intelligence to LEA and making greater use of financial intelligence, including from foreign counterparts, to pursue high-risk ML threats; (5) increasing investigations and prosecution of ML in line with the country's risk profile; (6) ensuring effective implementation of TFS by sanctioning noncompliance among reporting entities and demonstrating a better understanding of UN sanctions evasion among the private sector.

Vietnam

(Statement from June 2023)

In June 2023, Vietnam made a high-level political commitment to work with the FATF and APG to strengthen the effectiveness of its AML/CFT regime. Since the adoption of its MER in November 2021, Vietnam has made progress on some of the MER's recommended actions by joining the Asset Recovery Interagency Network Asia Pacific (ARIN-AP) and adopting a national action plan on AML/CFT/CPF. Vietnam will work to implement its FATF action plan by: (1) Increasing risk understanding, domestic co-ordination and co-operation to combat ML/TF; (2) Enhancing international co-operation; (3) Implementing effective risk-based supervision for FIs and DNFBPs; (4) Taking action to regulate virtual assets and virtual asset service providers; (5) Addressing technical compliance deficiencies, including with respect to the ML offence, targeted financial sanctions, customer due diligence and suspicious transaction reporting; (6) Conducing outreach activities with the private sector; (7) Establishing a regime that provides competent authorities with adequate, accurate and up-to-date information on beneficial ownership; (8) Ensuring the independence of the FIU and enhancing the quality and quantity of financial intelligence analysis and disseminations; (9) Prioritizing parallel financial investigations and demonstrating an increase in the number of ML investigations and prosecutions undertaken; (10) demonstrating that there is monitoring of FIs and DNFBPs for compliance with PF TFS obligations and that there is co-operation and co-ordination between authorities to prevent PF TFS from being evaded.

Yemen

(Statement from February 2023)

Since February 2010, when Yemen made a high-level political commitment to work with the FATF and MENAFATF to address its strategic AML/CFT deficiencies, Yemen has made progress to improve its AML/CFT regime. In June 2014, the FATF determined that Yemen had substantially addressed its action plan at a technical level, including by: (1) adequately criminalising money laundering and terrorist financing; (2) establishing procedures to identify and freeze terrorist assets; (3) improving its customer due diligence and suspicious transaction reporting requirements; (4) issuing guidance; (5) developing the monitoring and supervisory capacity of the financial sector supervisory authorities and the financial intelligence unit; and (6) establishing a fully operational and effectively functioning financial intelligence unit. While the FATF determined that Yemen has completed its agreed action plan, due to the security situation, the FATF has been unable to conduct an on-site visit to confirm whether the process of implementing the required reforms and actions has begun and is being sustained. The FATF will continue to monitor the situation, and conduct an on-site visit at the earliest possible date.

Jurisdictions No Longer Subject to Increased Monitoring by the FATF

Albania

The FATF welcomes Albania's significant progress in improving its AML/CFT regime. Albania strengthened the effectiveness of its AML/CFT regime to meet the commitments in its action plan regarding the strategic deficiencies that the FATF identified in February 2020 related to (1) conducting additional in-depth analysis to understand its ML and other risks sufficiently, and enhancing institutional coordination and cooperation; formalising the economy and reducing the ML/TF risks posed by the widespread use of cash; and registering property ownership information across nearly the entire country (2) improving the timely handling of mutual legal assistance requests; (3) establishing effective mechanisms to detect and prevent criminal infiltration of the economy, including by strengthening competent authorities' powers to take necessary action; (4) ensuring that accurate and up to date basic and beneficial ownership information is available on a timely basis; (5) increasing the number and improving the sophistication of prosecutions and confiscations for ML, especially in cases involving foreign predicate offenses or third-party ML; (6) improving the implementation of targeted financial sanctions, in particular through enhanced supervisory action and targeted, proactive outreach. Albania is therefore no longer subject to the FATF's increased monitoring process.

The FATF welcomes Albania's commitment to respect the FATF principles in case Albania introduces a VTC programme in the future.

Albania should continue to work with MONEYVAL to sustain its improvements in its AML/CFT system.

Cayman Islands

The FATF welcomes the Cayman Islands' significant progress in improving its AML/CFT regime. The Cayman Islands strengthened the effectiveness of its AML/CFT regime to meet the commitments in its action plan regarding the strategic deficiencies that the FATF identified in February 2021 related to (1) applying sanctions that are effective, proportionate and dissuasive, and taking administrative penalties and enforcement actions against obliged entities to ensure that breaches are remediated effectively and in a timely manner; (2) imposing adequate and effective sanctions in cases where relevant parties (including legal persons) do not file accurate, adequate and up to date beneficial ownership information; and (3) demonstrating that they are prosecuting all types of money laundering in line with the jurisdiction's risk profile and that such prosecutions are resulting in the application of dissuasive, effective, and proportionate sanctions. The Cayman Islands is therefore no longer subject to the FATF's increased monitoring process.

The Cayman Islands should continue to work with CFATF to sustain its improvements in its AML/CFT system.

Jordan

The FATF welcomes Jordan's significant progress in improving its AML/CFT regime. Jordan strengthened the effectiveness of its AML/CFT regime to meet the commitments in its action plan regarding the strategic deficiencies that the FATF identified in October 2021 related to (1) completing and disseminating the ML/TF risk assessments of legal persons and virtual assets; (2) strengthening risk-based supervision and conducting training for FIs and DNFBPs; (3) maintaining comprehensive and updated basic and beneficial ownership information on legal persons; (4) pursuing money laundering investigations and prosecutions for predicate offences in line with its risk profile and strengthening the sanctioning and confiscation regime, including at the border; (5) implementing a legal and institutional framework for TFS; and (6) conducting risk-based monitoring of NPOs without disrupting legitimate NPO activities. Jordan is therefore no longer subject to the FATF's increased monitoring process.

Jordan should continue to work with MENAFATF to sustain its improvements in its AML/CFT system.

Panama

The FATF welcomes Panama's significant progress in improving its AML/CFT regime. Panama strengthened the effectiveness of its AML/CFT regime to meet the commitments in its action plan regarding the strategic deficiencies that the FATF identified in June 2019 related to (1) strengthening its understanding of the national and sectoral ML/TF risk and informing findings to its national policies to mitigate the identified risks; (2) taking action to identify unlicensed money remitters, applying a risk-based approach to supervision of the DNFBP sector and applying effective, proportionate, and dissuasive sanctions against AML/CFT violations; (3) verifying updated beneficial ownership information by obliged entities, establishing mechanisms to monitor the activities of offshore entities, assessing the existing risks of misuse of legal persons and arrangements to define and implement specific measures to prevent the misuse of nominee shareholders and directors, and allowing timely access to adequate and accurate beneficial ownership information; and (4) using FIU products for ML investigations, demonstrating its ability to investigate and prosecute ML involving foreign tax crimes and providing constructive and timely international cooperation with such offence, and continuing to focus on ML investigations in relation to high-risk areas identified in the NRA and MER. Panama is therefore no longer subject to the FATF's increased monitoring process.

Panama should continue to work with GAFILAT to sustain its improvements in its AML/CFT system.