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Our Reference:

18 August 2022

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 June 2022 regarding the High-Risk Jurisdictions subject to a Call for Action (**Appendix I**) and Jurisdictions under Increased Monitoring (**Appendix II**).

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 **Democratic People's Republic of Korea (DPRK)** remains in effect.

3. In accordance with the AML/CFT and TFS Policy Documents, please be advised that RIs are required to conduct enhanced customer due diligence for business relationships and transactions with any person from the DPRK including those acting on their behalf. In addition to enhanced CDD requirement, the RIs are also required to apply any relevant countermeasures proportionate to the risk, including limiting business relationship 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.

4. In relation to **Iran**, the FATF's call for action to apply enhanced due diligence and effective countermeasures, in line with paragraph 17 of the AML/CFT and TFS Policy Documents also remains in effect.

5. RIs should also take note of other Jurisdictions under Increased Monitoring due to strategic AML/CFT deficiencies in their regime for which they have developed an action plan with the FATF. RIs are expected to take into account the situation of each jurisdiction in its risk analysis on a case-by-case basis and 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 **Gibraltar** has been included in the FATF's increased monitoring process. Meanwhile, **Malta** has been removed from the FATF's monitoring process due to the significant progress made in improving its AML/CFT regime.

6. In dealing with the identified jurisdictions in the paragraphs above, RIs shall 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 monitored jurisdictions is available at the FATF's website at http://www.fatf-gafi.org.

Please be guided accordingly.

Yang benar,



(Mohd Fuad Arshad)
Pengarah
Jabatan Perisikan Kewangan dan
Penguatkuasaan

Appendix I

High-Risk Jurisdictions subject to a Call for Action - June 2022

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 countries in the list of High-Risk Jurisdictions subject to a Call for Action, given that they are already subject to the FATF’s call for countermeasures. Therefore, please refer to the statement on these jurisdictions adopted in February 2020. While the statement may not necessarily reflect the most recent status of Iran and the Democratic People’s Republic of Korea’s AML/CFT regimes, the FATF’s call for action on these high-risk jurisdictions remains in effect.

- High-Risk Jurisdictions subject to a Call for Action – 21 February 2020

Appendix II

Jurisdictions under Increased Monitoring -June 2022

Berlin, 17 June 2022 - 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, but 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.

Since the start of the COVID-19 pandemic, the FATF has provided 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 March 2022: Albania, Barbados, Burkina Faso, Cambodia, Cayman Islands, Haiti, Jamaica, Jordan, Mali, Malta, Morocco, Myanmar, Nicaragua, Pakistan, Panama, Philippines, Senegal, South Sudan, Türkiye, and Uganda. For these countries, updated statements are provided below. The United Arab Emirates chose to defer reporting to focus on its efforts; thus, the statement issued in March 2022 for that jurisdiction is included below, but it may not necessarily reflect the most recent status of the jurisdiction's AML/CFT regime. Following review, the FATF now also identifies Gibraltar.

The FATF welcomes the progress made by these countries in combating money laundering and terrorist financing, despite the challenges posed by COVID-19.

Jurisdictions with strategic deficiencies	Jurisdicon no longer subject to increased monitoring
Albania	Malta
Barbados	
Burkina Faso	
Cambodia	
Cayman Islands	
Gibraltar	
Haiti	
Jamaica	
Jordan	
Mali	
Morocco	
Myanmar	
Nicaragua	
Pakistan	
Panama	
Philippines	
Senegal	
South Sudan	
Syria	
Türkiye	
Uganda	
United Arab Emirates	
Yemen	

Albania

Since February 2020, when Albania made a high-level political commitment to work with the FATF and MONEYVAL to strengthen the effectiveness of its AML/CFT regime, Albania has taken steps towards improving its AML/CFT regime, including by enhancing the focus and efforts of law enforcement and prosecutorial authorities on applying the full range of seizure and confiscation measures, particularly in connection with assets linked to third-party money laundering by professionals and gatekeepers. Albania should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) ensuring an adequate legal framework for violations of company and NPO registration obligations and implementing proportionate and dissuasive sanctions; and (2) increasing the number of prosecutions for ML, especially in cases involving foreign predicate offences.
The FATF urges Albania to continue to implement its action plan to address the above-mentioned strategic deficiencies as soon as possible as all deadlines have now expired.

Barbados

Since February 2020, when Barbados made a high-level political commitment to work with the FATF and CFATF to strengthen the effectiveness of its AML/CFT regime, Barbados has taken steps towards improving its AML/CFT regime, including by establishing and resourcing a new compliance unit under its AML Authority responsible for DNFBP supervision; demonstrating that authorities have access to the BO information regarding legal arrangements; and reducing the backlog of criminal cases, including ML prosecutions. Barbados should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) taking appropriate measures to prevent legal persons and arrangements from being misused for criminal purposes, and ensuring that accurate and up-to-date basic and beneficial ownership information is available on a timely basis; (2) ensuring its FIU's financial intelligence products further assist law enforcement authorities in investigating ML or TF; (3) demonstrating that ML investigations and prosecutions are in line with the country's risk profile and result in sanctions, when appropriate, and provide statistics or case studies demonstrating a reduction of any backlog of cases; (4) further pursuing confiscation in ML cases, including by seeking assistance from foreign counterparts.
The FATF encourages Barbados to continue to implement its action plan to address the above-mentioned strategic deficiencies as soon as possible as all deadlines have now expired.

Burkina Faso

Since February 2021, when Burkina Faso made a high-level political commitment to work with theFATF 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 targeted financial sanctions (TFS) awareness-raising programmes for competent authorities and reporting entities. Burkina Faso should continue to work on implementing its action plan to address its strategic deficiencies, including by:(1) updating its understanding of ML/TF risks, including through the revision of the national risk assessment in line with the sectoral priorities identified in its national strategy; (2) seeking mutual legal assistance (MLA) and other forms of international cooperation in line with its risk profile; (3) strengthening of resource capacities of all AML/CFT supervisory authorities and implementing risk based supervision of FIs and DNFBPs; (4) maintaining comprehensive and updated basic and beneficial ownership information and strengthening the system of sanctions for violations of transparency obligations; (5) increasing the diversity of STR reporting; (6) enhancing the FIU's human resources through additional, hiring, training and budget; (7) conduct training for LEAs, prosecutors and other relevant authorities; (8) demonstrating that authorities are pursuing confiscation as a policy objective; (9) enhancing capacity and support for LEAs and prosecutorial authorities involved in combatting TF, in line with the TF National Strategy; and (10) implementing an effective targeted financial sanctions regime related to TF and PF as well as risk-based monitoring and supervision of NPOs.

Cambodia

Since February 2019, when Cambodia made a high-level political commitment to work with the FATFand APG to strengthen the effectiveness of its AML/CFT regime, Cambodia has taken steps improving its AML/CFT regime, including by improving the quality and quantity of FIU disseminations, demonstrating an increase in ML investigations in line with risk and providing training to strengthen the skills of competent authorities to implement TFS for PF. Cambodia should continue to take action to fully address the one remaining item in its action plan as all timelines have already expired, specifically by: demonstrating an increase in the freezing and confiscation of criminal proceeds, instrumentalities, and property of equivalent value.
The FATF again expresses significant concern that Cambodia failed to complete its action plan, which fully expired in January 2021. The FATF strongly urges Cambodia to swiftly complete its action plan by October 2022 or the FATF will consider calling on its members and urging all jurisdictions to apply enhanced due diligence to business relations and transactions with Cambodia.

The Cayman Islands

In February 2021, the Cayman Islands made a high-level political commitment to work with the FATF and CFATF to strengthen the effectiveness of its AML/CFT regime. The Cayman Islands should continue to work on implementing its action plan to address its strategic deficiencies, including by:(1) 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 in line with those requirements; and (2) demonstrating that they are prosecuting all types of money laundering cases in line with the jurisdiction's risk profile and that such prosecutions are resulting in the application of dissuasive, effective, and proportionate sanctions.
The FATF encourages the Cayman Islands to continue to implement its action plan to address the above-mentioned strategic deficiencies as soon as possible as all deadlines have now expired.

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. Since the adoption of its MER in December 2019, Gibraltar has made progress on a significant number of its MER's recommended actions, such as completing a new national risk assessment, addressing the technical deficiencies in relation to BO-related record keeping, introducing transparency requirements for nominee shareholders and directors, strengthening the financial intelligence unit, and refining its ML investigation policy in line with risks. Gibraltar should work on implementing its action plan, including by: (1) ensuring that supervisory authorities for non-bank financial institutions and DNFBPs use a range of effective, proportionate, and dissuasive sanctions for AML/CFT breaches; and (2) demonstrating that it is more actively and successfully pursuing final confiscation judgements, through criminal or civil proceedings based on financial investigations.

Haiti

In June 2021, Haiti made a high-level political commitment to work with the FATF and CFATF to strengthen the effectiveness of its AML/CFT regime. 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) facilitating information sharing with relevant foreign counterparts; (3) addressing the technical deficiencies in its legal and regulatory framework that impede the implementation of AML/CFT preventive measures and implementing risk-based AML/CFT supervision for all financial institutions and DNFBPs deemed to constitute a higher ML/TF risk; (4) ensuring basic and beneficial ownership information are maintained and accessible in a timely manner; (5) ensuring a better use of financial intelligence and other relevant information by competent authorities for combatting ML and TF; (6) addressing the technical deficiencies in its ML offence and demonstrating authorities are identifying, investigating and prosecuting ML cases in a manner consistent with Haiti's risk profile; (7) demonstrating an increase of identification, tracing and recovery of proceeds of crime; (8) addressing the technical deficiencies in its TF offence and targeted financial sanctions regime; and (9) conducting appropriate risk-based monitoring of NPOs vulnerable to TF abuse without disrupting or discouraging legitimate NPO activities.

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 increasing investigative resources; training prosecutorial and law enforcement authorities; and improving the domestic coordination between these authorities.
Jamaica should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) including all FIs and DNFBPs in the AML/CFT regime and ensuring adequate, risk-based supervision in all sectors; (2) taking appropriate measures to prevent legal persons and arrangements from being misused for criminal purposes, and ensuring that accurate and up-to-date basic and beneficial ownership information is available on a timely basis to competent authorities; and (3) implementing a risk-based approach for supervision of the NPO sector to prevent abuse for TF purposes.
The FATF urges Jamaica to continue to implement its action plan to address the above-mentioned strategic deficiencies as soon as possible as all deadlines have now expired.

Jordan

Since October 2021, when Jordan made a high-level political commitment to work with the FATF and MENAFATF to strengthen the effectiveness of its AML/CFT regime, Jordan has taken steps towards improving its AML/CFT regime, including by rectifying its legal framework for TF TFS and demonstrating an effective process by the national committee and supervisory authorities to implement TFS without delay. Jordan should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) disseminating the risk assessments of NPOs, and completing and disseminating the ML/TF risk assessments of legal persons and virtual assets; (2) improving risk based supervision and applying effective, proportionate, and dissuasive sanctions for noncompliance; (3) conducting training and awareness raising programmes for DNFBPs on their AML/CFT obligations, particularly with regard to filing and submitting STRs; (4) maintaining comprehensive and updated basic and beneficial ownership information on legal persons and legal arrangements; (5) pursuing money laundering investigations and prosecutions, including through parallel financial investigations, for predicate offences in line with the risk identified in the NRA; (6) creating a legal obligation for confiscating instrumentalities used or intended to be used in ML crimes; (7) monitoring and effectively supervising the compliance of FIs and DNFBPs with TFS obligations; and (8) developing and implementing a risk-based approach for supervision of the NPO sector to prevent abuse for TF purposes.

Mali

In October 2021, Mali made a high-level political commitment to work with the FATF and GIABA to strengthen the effectiveness of its AML/CFT regime. Mali should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) disseminating the results of the NRA to all relevant stakeholders including by conducting awareness raising activities for the highest risk sectors; (2) developing and starting to implement a risk based approach for the AML/CFT supervision of all FIs and higher risk DNFBPs and demonstrating effective, proportionate and dissuasive sanctions for noncompliance; (3) conducting a comprehensive assessment of ML/TF risks associated with all types of legal persons; (4) increasing the capacity of the FIU and the LEAs and enhancing their cooperation on the use of financial intelligence; (5) ensuring relevant competent authorities are involved in investigation and prosecution of ML; (6) strengthening the capacities of relevant authorities responsible for investigation and prosecution of TF cases; (7) establishing a legal framework and procedures to implement TFS related to TF and PF; and (8) implementing a risk-based approach for supervision of the NPO sector to prevent abuse for TF purposes.

Morocco

Since February 2021, when Morocco made a high-level political commitment to work with the FATF and MENAFATF to strengthen the effectiveness of its AML/CFT regime, Morocco has taken steps towards improving its AML/CFT regime, including by licensing and monitoring the registration of DNFBPs and addressing technical deficiencies related to TFS. Morocco should continue to work to implement its action plan to address its strategic deficiencies, including by: (1) improving risk-based supervision and taking remedial actions and applying effective, proportionate and dissuasive sanctions for non-compliance; (2) undertake and share the results of the risk assessment on the misuse of all types of legal persons with the private sector and competent authorities; (3) increasing the diversity of suspicious transactions reporting; (4) establishing asset seizing and confiscation procedures; and (5) monitoring and effectively supervising the compliance of FIs and DNFBPs with targeted financial sanctions obligations.

Myanmar

In February 2020, Myanmar made a high-level political commitment to work with the FATF and APG to strengthen the effectiveness of its AML/CFT regime and address any related technical deficiencies. Myanmar should work on implementing its action plan to address its strategic deficiencies, including by: (1) demonstrating an improved understanding of ML risks in key areas; (2) demonstrating that onsite/offsite inspections are risk-based, and hundi operators are registered and supervised; (3) demonstrating enhanced use of financial intelligence in LEA investigations, and increasing operational analysis and disseminations by the 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; (7) managing seized assets to preserve the value of seized goods until confiscation; and (8) demonstrating implementation of targeted financial sanctions related to PF.

The FATF again expresses significant concern with Myanmar's lack of progress with all deadlines having expired, and significant work remaining on the majority of its action plan including fundamental deficiencies that need to be addressed with respect to ML investigations, prosecutions and asset confiscation. The FATF again strongly urges Myanmar to swiftly complete its action plan by October 2022 or the FATF will consider calling on its members and urging all jurisdictions to apply enhanced due diligence to business relations and transactions with Myanmar.

Nicaragua

In February 2020, Nicaragua made a high-level political commitmen t to work with the FATF andGAFILAT to strengthen the effectiveness of its AML/CFT regime. Nicaragua has taken steps towards improving its AML/CFT regime specific to its FATF action plan, including by updating its national risk assessment on ML/TF and disseminating the outcomes of its ML/TF risk understanding to competent authorities and relevant private sector entities and putting in place mechanisms to ensure that beneficial ownership information of legal persons and arrangements is maintained and obtained in a timely manner.

At its June 2022 Plenary, the FATF made the initial determination that Nicaragua has substantially completed its action plan and warrants an on-site visit to verify that the implementation of Nicaragua's AML/CFT reforms has begun and is being sustained, and that the necessary political commitment remains in place to sustain implementation and improvement in the future. The FATF will continue to monitor the COVID-19 situation and conduct an on-site visit at the earliest possible date.

Pakistan

Since June 2018, when Pakistan made a high-level political commitment to work with the FATF and APG to strengthen its AML/CFT regime and to address its strategic counter terrorist financing-related deficiencies, Pakistan's continued political commitment to combating both terrorist financing and money laundering has led to significant progress. In particular, Pakistan demonstrated that TF investigations and prosecutions target senior leaders and commanders of UN designated terrorist groups and that there is a positive upwards trend in the number of ML investigations and prosecutions being pursued in Pakistan, in line with Pakistan's risk profile. In addition, Pakistan also largely addressed its 2021 action plan ahead of the set times.

At its June 2022 Plenary, the FATF made the initial determination that Pakistan has substantially completed its two action plans, covering 34 items, and warrants an on-site visit to verify that the implementation of Pakistan's AML/CFT reforms has begun and is being sustained, and that the necessary political commitment remains in place to sustain implementation and improvement in the future.

The FATF will continue to monitor the COVID-19 situation and conduct an on-site visit at the earliest possible date.

Panama

Since June 2019, when Panama made a high-level political commitment to work with the FATF and GAFILAT to strengthen the effectiveness of its AML/CFT regime, Panama has taken steps towards improving its AML/CFT regime, including by improving the monitoring of the corporate sector, and focusing on ML investigations in relation to high-risk areas, particularly ML investigations involving foreign predicates and the seizing and confiscation of proceeds of crime. However, Panama should continue to take urgent action to fully address remaining measures in its action plan as all timelines have already expired in January 2021. Panama should therefore continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) ensuring effective, proportionate, and dissuasive sanctions in response to AML/CFT violations; (2) ensuring adequate verification, of up-to-date beneficial ownership information by obliged entities and timely access by competent authorities, establishing effective mechanisms to monitor the activities of offshore entities, to consider the risks of misuse of legal persons and arrangements to define and implement specific measures to prevent the misuse of nominee shareholders and directors; and (3) demonstrating its ability to investigate and prosecute ML involving foreign tax crimes.

The FATF again expresses significant concern that Panama failed to complete its action plan, which fully expired in January 2021. The FATF strongly urges Panama to swiftly complete its action plan by October 2022 or the FATF will consider calling on its members and urging all jurisdictions to apply enhanced due diligence to business relations and transactions with Panama.

Philippines

Since June 2021, when 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 has taken steps towards improving its AML/CFT regime, including by implementing registration requirements and applying proportionate and dissuasive sanctions to unregistered and illegal remittance operators and increasing TF investigation and prosecution capacity. 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 the use of financial intelligence and an increase in ML investigations and prosecutions in line with risk; (5) demonstrating an increase in the identification, investigation and prosecution of TF cases; (6) demonstrating that appropriate measures are taken with respect to the NPO sector (including unregistered NPOs) without disrupting legitimate NPO activity; and (7) enhancing the effectiveness of the targeted financial sanctions framework for both TF and PF.

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 taken steps towards improving its AML/CFT regime, including by establishing and implementing a risk-based AML/CFT monitoring system, and continuing to enhance the FIU's resources to ensure effective operational analysis. Senegal should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) ensuring consistent understanding of ML/TF risks (in particular related to the DNFBP sector) across relevant authorities through training and outreach; (2) seeking MLA and other forms of international cooperation in line with its risk profile; (3) improving compliance by detecting AML/CFT violations and imposing effective, proportionate and dissuasive sanctions against non-compliant entities; (4) updating and maintaining comprehensive beneficial ownership information on legal persons and arrangements and strengthening the system of sanctions for violations of transparency obligations; (5) demonstrating that efforts aimed at strengthening detection mechanisms and reinforcing the capability to conduct ML/predicate offences investigations and prosecutions activities are sustained consistently in line with the Senegal's risk profile; (6) establishing comprehensive and standardised policies and procedures for identifying, tracing, seizing and confiscating proceeds and instrumentalities of crime in line with its risk profile; (7) strengthening the authorities understanding of TF risks and enhancing capacity and support for LEAs and prosecutorial authorities involved in TF in line with the 2019 TF National Strategy; and (8) implementing an effective TFS regime related to TF and PF as well as risk-based monitoring and supervision of NPOs.

South Sudan

In June 2021, South Sudan made a high-level political commitment to work with the FATF to strengthen the effec veness of its AML/CFT regime. South Sudan will work to implement its ac on plan, including by: (1) engaging with ESAAMLG for membership and commi ng to undergo a mutual evalua on by ESAAMLG; (2) conduc ng a comprehensive review of the AML/CFT Act (2012), with the support of interna onal partners, including technical assistance, to comply with the FATF Standards;(3) becoming a party to and fully implemen ng the 1988 Vienna Conven on, the 2000 Palermo Conven on, and the 1999 Terrorist Financing Conven on; (4) ensuring that competent authori es are suitably structured and capacitated to implement a risk-based approach to AML/CFT supervision for financial ins tu ons; (5) developing a comprehensive legal framework to collect and verify the accuracy of beneficial ownership informa on for legal persons; (6) opera onalising a fully func oning and independent FIU; (7) establishing and implemen ng the legal and ins tu onal framework to implement targeted financial sanc ons in compliance with United Na ons Security Council Resolu ons on terrorism and WMD prolifera on financing; and (8) commencing implementa on of targeted risk-based supervision/monitoring of NPOs at risk of TF abuse.

The FATF notes South Sudan's limited progress across its ac on plan. The FATF encourages South Sudan to con nue to demonstrate its strong poli cal and ins tu onal commitment to strengthen the effec veness of its AML/CFT regime, par cularly in suppor ng the lead AML/CFT agency in coordina ng na onal AML/CFT efforts and seeking full ESAAMLG membership.

Syria

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.

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 steps towards improving its AML/CFT regime, including by increasing the human resources at the FIU to conduct analysis and conducting some outreach to the NPO sector about their risks and vulnerabilities to terrorist financing activity. Türkiye should continue to work on implementing its action plan to address its strategic deficiencies, including by: (1) dedicating more resources at the FIU to supervision of AML/CFT compliance by high-risk sectors and increasing on-site inspections overall; (2) applying dissuasive sanctions for AML/CFT breaches, in particular for unregistered money transfer services and exchange offices and in relation to the requirements of adequate, accurate, and up-to-date beneficial ownership information; (3) enhancing the use of financial intelligence to support ML investigations and increasing proactive disseminations by the FIU; (4) undertaking more complex money laundering investigations and prosecutions; (5) setting out clear responsibilities and measurable performance objectives and metrics for the authorities responsible for recovering criminal assets and pursuing terrorism financing cases and using statistics to update risk assessments and inform policy; (6) conducting more financial investigations in terrorism cases, prioritising TF investigations and prosecutions related to UN-designated groups and ensuring TF investigations are extended to identify financing and support networks; (7) concerning targeted financial sanctions under UNSCRs 1373 and 1267, pursuing outgoing requests and domestic designations related to UN-designated groups, in line with Türkiye's risk profile; (8) to fully implement a risk-based approach to supervision of non-profit organisations to prevent their abuse for terrorist financing, conducting outreach to a broad range of NPOs in the sector and engaging with their feedback, ensuring that sanctions applied are proportionate to any violations, and taking steps to ensure that supervision does not disrupt or discourage legitimate NPO activity, such as fundraising.

The FATF continues to monitor Türkiye's oversight of the NPO sector. Türkiye is urged to demonstrate the implementation of the risk-based approach to supervision of NPOs in line with the FATF Standards.

Uganda

Since February 2020, when Uganda made a high-level political commitment to work with the FATF and ESAAMLG to strengthen the effectiveness of its AML/CFT regime, Uganda demonstrated progress, including conducting TF investigations and prosecutions. Uganda should continue to work to implement its action plan to address its strategic deficiencies, including by: (1) seeking international cooperation in line with the country's risk profile; (2) developing and implementing risk-based supervision of FIs and DNFBPs; (3) ensuring that competent authorities have timely access to accurate basic and beneficial ownership information for legal entities; (4) demonstrating LEAs and judicial authorities apply the ML offence consistent with the identified risks; (5) establishing and implementing policies and procedures for identifying, tracing, seizing and confiscating proceeds and instrumentalities of crime; (6) addressing the technical deficiencies in the legal framework to implement PF-related targeted financial sanctions; and (7) implementing a risk-based approach for supervision of its NPO sector to prevent TF abuse. The FATF continues to monitor Uganda's oversight of the NPO sector. Uganda is strongly urged to align the Terrorist Financing Risk Assessment for NPOs with the FATF Standards. This is needed to apply the risk-based approach to supervision of NPOs in line with the FATF Standards to mitigate unintended consequences.

The FATF urges the authorities to swiftly implement its action plan to address the above-mentioned strategic deficiencies as soon as possible as all deadlines have now expired.

The United Arab Emirates

(Statement from March 2022)

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. Since the adoption of its MER in February 2020, the UAE has made significant progress across its MER's recommended actions to improve its system, including by finalising a TF Risk Assessment, creating an AML/CFT coordination committee, establishing an effective system to implement targeted financial sanctions without delay, and significantly improving its ability to confiscate criminal proceeds and engage in international cooperation. Additionally, the UAE addressed or largely addressed more than half of the key recommended actions from the MER.

The UAE will work to implement its FATF action plan by: (1) demonstrating through case studies and statistics a sustained increase in outbound MLA requests to help facilitate investigation of TF, ML, and high-risk predicates; (2) identifying and maintaining a shared understanding of the ML/TF risks between the different DNFBP sectors and institutions; (3) showing an increase in the number and quality of STRs filed by FIs and DNFBPs; (4) achieving a more granular understanding of the risk of abuse of legal persons and, where applicable, legal arrangements, for ML/TF; (5) providing additional resources to the FIU to strengthen its analysis function and enhance the use of financial intelligence to pursue high-risk ML threats, such as proceeds of foreign predicate offenses, trade-based ML, and third-party laundering; (6) demonstrating a sustained increase in effective investigations and prosecutions of different types of ML cases consistent with UAE's risk profile; and (7) proactively identifying and combating sanctions evasion, including by using detailed TFS guidance in sustained awareness-raising with the private sector and demonstrating a better understanding of sanctions evasion among the private sector.

Yemen

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.

Jurisdiction No Longer Subject to Increased Monitoring by the FATF

Malta

The FATF welcomes Malta's significant progress in improving its AML/CFT regime. Malta has 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 2021 related to the detection of inaccurate company ownership information and sanctions on gatekeepers who fail to obtain accurate beneficial ownership information, as well as the pursuit of tax-based money laundering cases utilising financial intelligence. Malta is therefore no longer subject to the FATF's increased monitoring process. Malta should continue to work with MONEYVAL to sustain its improvements in its AML/CFT system.